"'Permitting the additional bonding of incorporated towns and cities for municipal water and light plants and sewers: For, 15,358; against, 2,676

"'Equal suffrage: For, 13,442; against, 6,202.

"'In addition to these constitutional amendments, the referendum was invoked on eight measures enacted by the legislature. It is worthy of consideration in estimating the absolute fairness and practicability of this method of legislation that in all of these cases save two resort to the people, which should always be the court of final appeal, was had by and at the instance of corporations which were, while Arizona's constitution was being framed and during the period when its fate, with that of statehood, hung in the balance at Washington, in bitter opposition to the initiative and referendum features of the charter. Not only were these corporations first to invoke the referendum, but they took occasion, in the literature forming a part of an elaborate campaign made to defeat the measures to which objection was had, to commend the "wise provision" of the constitution permitting the people to pass judgment on all laws enacted by the legislature.

"'Never could the interest of the people in legislation affecting their welfare or the welfare of any class of citizens, or their ability to judge of the merits or demerits of proposed measures, be more strikingly illustrated or more definitely settled than was done in this instance. On one hand certain powerful interests, violently objecting to the measures enacted by the legislature, after invoking the referendum, entered upon an elaborate, exhaustive, systematic, and, doubtless, very expensive campaign to defeat the measures at the polls. Speakers were employed to tour the State; printed literature in large quantities and personal letters signed by prominent and influential officers of the corporations chiefly concerned flooded the mails; personal workers were interested, and such employees as could be influenced were advised as to what were for the 'best interests of the company,' while great spaces were used in many newspapers in the State, not only in the advertising columns, but in the news columns, and very frequently in the editorial departments. Nor did any political party champion the cause or *lend its moral* support. As required by law, publicity pamphlets were sent out by the secretary of state; a few speeches were made in the larger towns by advocates representing the labor organizations; and the people, alive to every phase of the situation, discussed it among themselves. That was the extent of the affirmative campaign. And in spite of the efforts put forth to convince them to the contrary, the people decided that the measures were good ones.

"'The favorite claim made by the opponents of direct legislation, that the people will not take an interest in measures referred to or instituted by them, is here totally disproved, since an average of 18,887 votes were cast on the constitutional amendments and 17,884 on the referred laws, as against an average vote of 23,483 for presidential electors and 23,545 for all candidates for Congress.

"'It were difficult to conceive of a more emphatic demonstration of the thorough utility of Arizona's direct-legislation provision than has thus been afforded at its first trial.'

"Altogether Arizona is wonderfully satisfied with her trial of popular government. It has not proved that perfection has been reached, and perfection is by no means claimed, but it has generously shown that the people may be safely intrusted with the management of their own affairs. They may make mistakes—who does not?—but they are quick to see, and with the power to do so, quick to remedy them. They are not rash, impulsive, or unfair, as the opponents of popular government would endeavor to make the people themselves believe, but, on the contrary, may be depended upon to treat fairly with all interests and classes.

"Not yet are they, with this weapon of self-government in their hands, out of danger from the exactions of the aristocracy of wealth, for at all times, day and night, early and late, under all conditions and circumstances, the machinery of that vast organization is working, if not to hold its unwarranted dominion, to regain that which it has lost. It is not quite sufficient that the people shall have the means to control and direct their government; they must be alert to do so. Thus far the people of Arizona have been watchful and alert and have proved their capability and intelligence. With the power at their command, reserved to them by the constitution they framed, they have only to continue so.

"Arizona will welcome the day when all the States of the Union shall respond to the demand for this genuinely democratic system of government, when the United States Government itself shall, through the medium of salutary reforms, become more sensitive to the majority's will. To this latter end the proposed "gateway" amendment constituted a highly commendable movement. No question could be of greater importance at the present time than the breaking down of the ancient barriers interposed between the people and their organic law. That done, and many needed reforms will follow. That done, and it will be a question of but a few years when the Government of the United States will become in fact as well as in theory an example of genuine popular government.

"Consecrated to such a cause, the National Popular Government League may well be proud of its mission. My heartiest support is hereby pledged."

RECESS.

Mr. CULBERSON. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 5 o'clock and 44 minutes p. m., Thursday, August 13, 1914) the Senate took a recess until to-morrow, Friday, August 14, 1914, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate August 13 (legislative day of August 11), 1914.

ASSAYER IN CHARGE.

Herbert Goodall, of Helena, Mont., to be assayer in charge of the United States assay office at Helena, Mont., in place of Thomas B. Miller, superseded.

PROMOTIONS IN THE ARMY.

CAVALRY ARM.

Lieut. Col. Franklin O. Johnson, Fourteenth Cavalry, to be colonel from August 9, 1914, vice Col. Robert D. Read, Cavalry, retired from active service August 8, 1914.

Maj. George W. Read, Ninth Cavalry, to be lieutenant colonel from August 9, 1914, vice Lieut. Col. Franklin O. Johnson, Fourteenth Cavalry, promoted.

Capt. Louis C. Scherer, Fourth Cavalry, to be major from August 9, 1914, vice Maj. George W. Read, Ninth Cavalry, promoted.

First Lieut. William B. Renziehausen, Fourth Cavalry, to be captain from August 9, 1914, vice Capt. Louis C. Scherer, Fourth Cavalry, promoted.

Second Lieut. William C. McChord, First Cavalry, to be first lieutenant from August 9, 1914, vice First Lieut. William B. Renziehausen, Fourth Cavalry, promoted.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 13 (legislative day of August 11), 1914.

RECEIVER OF PUBLIC MONEYS.

John E. Barrett to be receiver of public moneys at Topeka, Kans.

POSTMASTERS.

CONNECTICUT.

E. W. Doolittle, Plantsville.

KANSAS.

Henry R. Honey, Mankato.

MISSOURI.

A. R. Alexander, Plattsburg.

NEW YORK.

Andrew J. Fitzpatrick, Springville.

PENNSYLVANIA.

Thomas E. Grady, Montgomery.
Richard T. Hugus, Jeannette.
Jacob H. Maust, Bloomsburg.

HOUSE OF REPRESENTATIVES.

THURSDAY, *August 13, 1914.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord and Master of us all, through whose infinite wisdom, power, and goodness we live and resolve, hope and aspire, and pray; yet we realize that while the spirit is willing the flesh is weak, and we ever fall short of our desires. Help us to control our thoughts, direct our ways, and make straight our paths, that through Thy influence we may unfold and develop our character as individuals and as a Nation unto the ideals taught and exemplified in the life and character of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ASSAY OFFICE, NEW YORK CITY.

Mr. CANTOR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 3342, for the enlargement, and so forth, of the Wall Street front of the assay office in the city of New York, and consider it at this time. It is precisely the same bill that passed this House in April.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill S. 3342 and consider it at this time. The Clerk will report the bill for the information of Members.

Mr. MANN. Mr. Speaker, I am quite familiar with the bill, and I shall not consent to its passage at this time without reference to the committee. I think that a bill involving the use of appropriations should be referred to the committee.

The SPEAKER. The gentleman from Illinois objects.

Mr. CANTOR. Mr. Speaker, will the gentleman kindly withhold his objection? There is a letter from the Secretary of the Treasury stating that it is very important that this be done now, on account of the gold supply in New York, in order that the vaults may be completed as soon as possible.

Mr. MANN. The committee can report upon it at once.

Mr. CANTOR. It has reported on precisely the same bill.

Mr. LOGUE. Mr. Speaker, if the gentleman will yield, we have had this bill on the Calendar for Unanimous Consent for some time.

Mr. MANN. I remember the bill in the House and in the Senate also.

The SPEAKER. The gentleman from Illinois objects.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 1644. An act for the relief of May Stanley.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3342. An act for the enlargement, etc., of the Wall Street front of the assay office in the city of New York; to the Committee on Public Buildings and Grounds.

WATER POWER ON THE PUBLIC DOMAIN.

The SPEAKER. Under the rule the House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 16673) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

Mr. HUMPHREY of Washington. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman's point of order comes too late to make it in the House. He can make it in the committee.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 16673, with Mr. FITZGERALD in the chair.

Mr. HUMPHREY of Washington. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Washington makes the point of order that there is no quorum present. The Chair will count. [After counting.] Seventy-six Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ainey	Driscoll	Kindel	Peterson
Anthony	Dupré	Kinkead, N. J.	Phelan
Ashbrook	Elder	Knowland, J. R.	Platt
Aswell	Esch	Konop	Porter
Austin	Estopinal	Korbly	Post
Barchfeld	Fairchild	Kreider	Powers
Barnhart	Faison	Lafferty	Ragsdale
Bartholdt	Fess	Langham	Rainey
Bartlett	Fields	Langley	Riordan
Bathrick	Flood, Va.	Lazaro	Sabath
Beall, Tex.	Fordney	L'Engle	Saunders
Bell, Ga.	Francis	Lenroot	Sherley
Borland	Frear	Lever	Shreve
Brodbeck	Gard	Lewis, Pa.	Slemp
Broussard	Gardner	Lindbergh	Small
Brown, N. Y.	George	Lindquist	Smith, Md.
Browne, Wis.	Gillett	Linthicum	Smith, Minn.
Browning	Goldfogle	Lobeck	Smith, N. Y.
Bruckner	Goodwin, Ark.	Loft	Stanley
Bulkley	Gordon	Lonergan	Steenerson
Burke, Pa.	Gorman	McAndrews	Stephens, Miss.
Byrns, Tenn.	Goulden	McClellan	Stephens, Nebr.
Calder	Graham, Ill.	McGillicuddy	Stephens, Tex.
Callaway	Graham, Pa.	McGuire, Okla.	Stevens, N. H.
Campbell	Griest	McKenzie	Stout
Carew	Griffin	Madden	Stringer
Carlin	Gudger	Mahan	Switzer
Chandler, N. Y.	Hamill	Maher	Talbott, Md.
Clark, Fla.	Hamilton, Mich.	Manahan	Taylor, N. Y.
Coady	Hamilton, N. Y.	Martin	Thomson, Ill.
Connolly, Iowa	Hardwick	Merritt	Treadway
Copley	Hawley	Montague	Tuttle
Covington	Hayes	Morgan, La.	Underhill
Cramton	Heflin	Morin	Vare
Crisp	Henry	Moss, Ind.	Vaughan
Crosser	Hinds	Mott	Vollmer
Dale	Hobson	Murray, Okla.	Walker
Davenport	Houston	Neeley, Kans.	Wallin
Decker	Hoxworth	Neely, W. Va.	Walters
Dershem	Hughes, Ga.	Nelson	Watkins
Dickinson	Hughes, W. Va.	O'Leary	Weaver
Dies	Jacoway	Padgett	Whitacre
Difenderfer	Johnson, S. C.	Palmer	White
Dillon	Kelley, Mich.	Parker	Willis
Dixon	Kennedy, Conn.	Patten, N. Y.	Winslow
Dooling	Kennedy, R. I.	Patton, Pa.	Woodruff
Doremus	Kent	Peters, Me.	Woods

The committee rose; and the Speaker having resumed the chair, Mr. FITZGERALD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill H. R. 16673, had found itself without a quorum; that he had directed the roll to be called; that 245 Members had answered to their names, a quorum, and he handed in a list of the absentees.

The committee resumed its sitting.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized for 25 minutes.

Mr. MONDELL. Mr. Chairman, in my opening remarks on this bill on Tuesday I called attention to the fact that the water-power development contemplated by it can only be secured under water rights granted by the respective States under certain terms and conditions and that subject to compliance with these conditions those rights are perpetual. I called attention to the further fact that the only interest or control that the Federal Government has over this development arises out of its ownership of lands that may be necessary, to a greater or less extent, for the diversion, development, or distribution works connected with the water-power development. I stated further that, taking advantage of the Government ownership of such lands, the bill proceeded on the assumption that such ownership or proprietorship vested in the Federal Government authority to delegate to the Secretary of the Interior the right to levy and collect an excise tax. That this excise tax will not be uniform among the States because applicable only to certain States, and not uniform within these States because applicable only to projects in whole or in part on public lands, and clearly not expected to be uniform even among the projects effected.

The bill further proceeds on the assumption that by reason of the fact of proprietorship of lands within certain States the Federal Government may exercise municipal right of sovereignty and eminent domain within the limits of a State.

LEGISLATION CENTRALIZING AND FEDERALISTIC.

I do not raise these questions or call attention to these features of the legislation which challenge the sovereign and reserved rights of the people in the States out of any spirit of captious criticism or with a desire to prejudice legislation by raising an issue as to the relative jurisdictions of the States of the Federal Government. I do so rather for the purpose of suggesting that legislation relative to these matters, to be fair, to be just, to be useful, to be in the public interest, to be permanent under the decisions of the courts, should and eventually must recognize the kind of government which our fathers established and which it is our duty to help maintain.

Alexander Hamilton is generally given the credit of being the foremost champion and ablest exponent and defender of the federalistic view of our system of government. He not only believed in a strong central government but he was willing to vest very considerable power and authority in the officials and functionaries of that Government. I venture, however, to assert, without fear of successful contradiction, that Mr. Hamilton in his most centralizing and federalistic moments would not have dreamed of proposing or promoting so bureaucratic, centralizing, and federalistic a plan as that now presented for our consideration.

PUBLIC CONTROL NECESSARY.

Let us have no misunderstanding of our position. I desire to have it clearly understood that I and those who hold similar views with regard to those matters are wholly in accord with certain avowed and announced purposes of those who stand sponsor for this legislation. We earnestly desire to encourage water-power development in the public-land States. We believe that in any event, and particularly in the present attitude of the Government bureaus having to do with these matters, some legislation is necessary. We realize the great and permanent importance of hydroelectric development. We appreciate the fact that this development, in certain of its important aspects and phases, has, to a greater or less extent, the elements of a natural monopoly. We realize, therefore, to the fullest extent, that this development must and should be under proper public control, with power to determine as to rates, terms, and conditions of service. More than two years ago I introduced a bill providing for uniform legislation on the subject of rights of way for power development and other purposes, fully protecting the public interest and assuring the complete control of the people to be served—the public interested—over service and charges, which I shall offer at the appropriate time.

We come from a part of the country where the foundation for such public control is firmly fixed and bottomed on the fact that the water, which is the one essential element in all this contemplated development, is under the complete and unquestioned control of the people. I desire to emphasize this feature of the controversy because it has become the habit of those who take the centralizing bureaucratic and federalistic view of these matters to assume, some of them at least, an air of superior virtue, as though they alone were the friends of the people, who proposed to give the people interested and affected the least to say about their own affairs. It has become the chronic habit, unintentional no doubt, of a certain class of people to proclaim their special interest in and service of the people when proposing plans under which the people, even as represented by the Congress, would have virtually nothing to say.

One of the peculiarities of a certain view, which gentlemen assume to be advanced and altruistic, is that it always leads to

the multiplication of the agencies of control, the increasing of the difficulties of operation and the addition of burdens on the theory that in some mysterious way out of the maze of regulation and through added difficulties and burdens may come benefits to the people, who in the long run must pay the bills.

We oppose this legislation in its present form because it is federalistic, bureaucratic, centralizing, inequitable, and burdensome. We oppose it because we do not believe that any considerable development would be possible under it. As a representative of the people of a western Commonwealth, whose development will be affected by the legislation, my viewpoint is that of the people to be served by the energy which may be developed from our falling waters. It is true that in a reasonable and proper way the interests of those who may make investments in enterprises of the character contemplated should be safeguarded. But they may in the main be depended upon to safeguard their own interests and not engage upon enterprises which do not give promise of fair returns and reasonable security.

The people of these Commonwealths, however, have a twofold interest: First, in having development keep pace with demand, and, second, to secure the benefits of development under the most advantageous conditions and on the most favorable terms. It is almost superfluous to say that these objects can not be accomplished by legislation under which the people affected would have practically no voice in the regulation and control of development, nor can I conceive how the public interest anywhere can be served by placing in the hands of one individual far removed from the scene of enterprise and operation autocratic control over the inauguration and operation of vast enterprises.

THEORY OF BILL ERRONEOUS.

In the time allotted me it is impossible to take up in detail the many objectionable features of the bill before us. As I have indicated, the primary fault of the bill lies in the fact that it approaches and deals with the subject matter from an altogether erroneous viewpoint, and its provisions are based on an altogether mistaken notion of the respective powers and interests of the Federal Government and of the States within which the contemplated enterprises are to be located and of the people to be served by them. The interest of the Federal Government grows out of the proprietorship of certain lands. The duty of the Federal Government is to see to it that out of this ownership no additional burdens shall be laid upon the communities to be served, and, on the other hand, that no opportunities shall rise to hamper complete public control over the agencies established. Government ownership of the lands utilized should not be made the means of retarding development or the excuse for increasing the cost of the power developed. Neither should it afford opportunities for those who utilize these lands to escape complete public control of the enterprises they establish. This legislation proceeds apparently on the theory that only by assuming a jurisdiction the Government does not possess and vesting that jurisdiction in the hands of a single individual can the Commonwealths affected or their people be protected.

If, as a matter of fact, we have reached that condition or ever could reach that condition under our form of government, we certainly would be in a bad way, a condition under which the Federal Government must protect the people from themselves, under which the Federal Government must assume the control of purely local operations on the theory that the people are going to allow themselves to be robbed.

Starting out on this theory, the bill in its first section places in the hands of one official of the Government complete authority over all the public lands reserved or unreserved which individuals, corporations, or municipalities may desire to utilize in any way for the development or transmission of power created by the forces of gravity acting upon water.

DANGEROUS GRANT OF POWER.

This power and authority delegated to the Secretary of the Interior includes the power to either grant or withhold. He may grant as much as he desires or withhold all rights and privileges in his discretion. His prohibition may be absolute and without reason given, or it may be exerted indirectly by applying to all applications or any particular application terms and conditions which the applicant can not meet. Favoritism may be exercised either by preferring one applicant above another under the same terms or by requiring impossible conditions of one and making practically a donation of opportunities to another. Assuming for the sake of argument that Congress has the power to so delegate its functions without rule or guide, which I doubt, all human experience attests the unwisdom of such a grant of authority.

But gentlemen will say we must lodge a certain amount of discretion somewhere. That is very true, but there is a great deal of difference between reasonable discretion within certain well-defined lines and practically unlimited authority to grant or withhold, to burden, or to donate. As a logical corollary to this grant of unbridled authority to the Secretary of the Interior is the entire absence of any provision containing any grant, right, or privilege on anyone. No individual, association, or municipality has any assurance under this legislation that it can ever secure any of the opportunities which the bill contemplates. The possession of a water right gives no such assurance, and no act or application, however much it may demonstrate the good faith, equitable right, or financial ability of an applicant can assure the opportunity for development which the Secretary may for any reason or without reason see fit to deny.

It is true that at this time we have a Secretary of the Interior in whom most people have confidence. There have been times when men occupied that office who suffered from lack of public confidence. What a howl of protest would have gone up if under different circumstances and conditions than now exist a bill had been brought in proposing to lodge in the Secretary of the Interior the powers this bill confers. Yet Secretaries come and go, but the authority, once conferred, continues. Most men want to do the right thing, I think, but there are great differences of opinion as to what constitutes the right thing to do. Ours is a Government of law, not of discretion or of personal judgments, and there is no place under our system of government for the unrestrained authority which this bill proposes to confer.

There are many details of the bill that are objectionable, details that grow out of the erroneous basis of the legislation. The effect of its provisions are inconsistent with our form of government, not likely to encourage development, and certain in the long run to breed scandal if extensive operations were attempted under it.

Mr. BOWDLE. Will the gentleman yield for a question?

Mr. MONDELL. I will.

Mr. BOWDLE. Is there any radical departure in this bill from the principle laid down in the reclamation act?

Mr. MONDELL. I think a very radical departure, I will say to the gentleman, because the reclamation act very wisely provides that the Secretary of the Interior, acting for the Federal Government as a proprietor, shall proceed to do what any other proprietor might do, and no more. There is nothing in the act that invokes the sovereign power of the Federal Government. It is simply a legislative direction on behalf of the United States, the proprietor of certain lands, to its agent, the Secretary of the Interior, to do those things, and those things alone, under the laws of the States and Territories which any individual who had the lands and the means could do.

Mr. BURKE of South Dakota. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. BURKE of South Dakota. Is there not this difference also? Does not the reclamation act contemplate that ultimately the land shall go into private ownership and shall be subject to taxation, whereas——

Mr. MONDELL. I am glad my friend called attention to that. The reclamation law provides for the construction, regulation, and control of certain enterprises by the Secretary of the Interior, acting as agent for the United States as proprietor, until upon the completion of the works they become the property of those who live upon the land and automatically pass into their absolute control, except as to the control which the Government retains of certain great storage works. On the other hand this is a proposition of a perpetual, never-ending lease of Government land and a charge, the amount of which no man can measure, entirely within the discretion of the Secretary of the Interior as to amount, and in no wise based on any value that the Federal Government contributes to the enterprise in the way of land or any other property. As great a charge might be made for the use of one acre of public land under this bill as for a million.

Mr. J. M. C. SMITH. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I will.

Mr. J. M. C. SMITH. I want to inquire whether or not there are not now a number of quite large dams capable of creating and generating a great deal of water power that are not in use by the Government?

Mr. MONDELL. Well, we have a large one in my State which, I regret very much to say, has never found any customers since it was built. I suppose there are others of that sort. We favor legislation, we want legislation; but we insist it is not necessary to tear down the pillars of the Constitution, uproot the foundations of the Government, ignore the character of the Government under which we live, in order to accomplish those

things, to secure development, and protect the people in their rights.

Mr. RAKER. Will the gentleman yield for a question?

Mr. MONDELL. I will.

Mr. RAKER. Will the gentleman explain what difference there is in the Government leasing this land for water-power purposes and leasing it for raising cattle upon, so far as the right of the Government to deal with its property is concerned.

Mr. MONDELL. I have raised no question as to the right of the Government to lease its land. I do not make any such claim. There is a question of the wisdom of doing it. It has been questioned, but I am not now discussing the right of the Federal Government to permanently retain and lease its lands. That is simply a question of policy.

Mr. RAKER. What I was getting at is that the gentleman has not any doubt but that the Government could lease its lands, if it desired, for grazing purposes?

Mr. MONDELL. Oh, I think the Government could. Some people think it should, but it never has.

Mr. RAKER. And we hope it will not?

Mr. MONDELL. You and I do.

Mr. RAKER. Some gentlemen have sought legislation for leasing of Government land for stock-raising purposes. If that is the fact, why can it not lease its land for power-plant purposes?

Mr. MONDELL. As I said to the gentleman a moment ago, I am not denying the power of the Government to lease its lands for those purposes. I do, however, insist that if it is to be a lease instead of a right of way or easement that the Government is to provide, it should not be made the means or excuse for laying burdens on the use of water which is the property of the State.

What we should have is a grant or easement, not a lease. The only charges paid to the Federal Government should be for property or benefits received from the United States, based on uniform provisions fixed by statute. The States should be fully protected in their control over rates and charges rather than deprived of their control. Any taxes or charges above reasonable payments for public lands used should be laid and collected by the States and communities, not by the Federal Government.

Mr. LA FOLLETTE. Mr. Chairman, I yield to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, conservation is a word to conjure with. In the name of conservation the most iridescent dream is accepted as fact. Proper conservation, of course, is sound and proper, and has come to stay. But why destroy the far Western States in order to conserve them?

The people of the far West have had about as much conservation thrust upon them as one generation can bear up under, and yet under the hypnotic and beneficent name of conservation we now have thrown at us in one lump four more conservation propositions. All summer we have been told that these bills were coming—four bills, so we were told—designed to end the stagnation in the development of the West. It is something, of course, to have secured an admission from the dream-book conservationists that their earlier schemes of holding up and hog tying the resources of the West had resulted in stagnation—literally to the starving point in many cases.

So now, after an all-summer wait, the Democratic Rules Committee loosens up, and on August 11 throws four intricate so-called conservation bills at us in one chunk, and calls for immediate action and limited debate.

No one knew which particular bill of the quartet was to come up first, but it turned out to be one disguised under the alluring title "A bill (H. R. 16673) to provide for the development of water power and the use of public lands in relation thereto."

Notice the optimistic and enthusiastic words of the title, "development" and "use." We of the West hope the words mean something, but I have yet to find a western Member who likes this bill. Even the members of the committee, so far as I can learn, shy off and say, "Well, it was this or nothing." "It is in the cards," and the like. Some of them accept the fact, but ease their consciences by opposing the principle.

Debate on this bill has been limited to two hours a side, in spite of the fact that the hearings on April 30 and May 1, 2, 3, 4, 5, 6, 7, and 8—nine days—produced a printed volume of 772 pages.

The distinguished chairman of the Public Lands Committee, the gentleman from Oklahoma [Mr. FERRIS], opened the debate and received the close attention of from 25 to 50 Members of Congress—which is remarkable when it is considered that this bill makes full and final provision for the handling of more than 20,000,000 horsepower located in the 11 far Western States, and a few million more horsepower in the other public-land States. See page 14812, RECORD for August 11.

I consider it unfortunate that it was twice necessary on that day to call in a quorum in the hope of interesting a few of the Representatives in Congress of all the people as to how it is proposed to handle the water power and the public domain of all the people, for these bills take it for granted that the 11 Western States have no possible concern in the matter, even though 72.6 per cent of all the potential water power in the United States lies within their boundaries, and six States, I believe, have public-service commissions; and, under this bill, most of it is to be taxed by the United States, while the water power of Massachusetts, Delaware, and Oklahoma, if it has any, is to pay no Federal tribute.

The debate is so limited and my time is so short—20 minutes—that I can do no more than call your attention to a few pages in the 772-page volume of hearings on House bill 14893.

On page 499 of the hearings you will find the resolution of the western governors adopted at Denver April 9, 1914, as follows:

Resolution of western governors at Denver conference April 9, 1914, re conservation and water powers.

At their conference at Denver on April 9, 1914, the governors of the States of Utah, Nevada, Colorado, Washington, Oregon, Idaho, Wyoming, New Mexico, and North Dakota adopted the following resolution:

"Whereas Congress has declared the water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes, we insist the Federal Government has no authority to exercise control over the waters of a State through ownership of public lands:

"*Resolved*, We maintain the waters of a State belong to the people of the State, and that the State should be left free to develop water-power possibilities and receive fully the revenues and other benefits derived from said developments.

"We believe in conservation—in sane conservation. We believe the all-wise Creator placed the vast resources of this Nation here for the use and benefit of all the people, past, present, and future; and while we believe due consideration and protection should be given to the rights of those who come hereafter, we insist that the people of this day and age should be given every reasonable opportunity to develop our resources and put them to beneficial use."

Mr. Chairman, the hearings contain also a brief memorandum in support of that resolution.

The 11 Western States included in the committee's group of Western States are California, Oregon, Washington, Arizona, Nevada, Idaho, Montana, Wyoming, Utah, Colorado, and New Mexico.

Nine of the 11 governors put forth the resolution. Two were unable to attend the conference.

Mr. RAKER. Will the gentleman yield right there?

Mr. JOHNSON of Washington. I will gladly yield for one question.

Mr. RAKER. The gentleman is not in favor of the present water-power acts, is he?

Mr. JOHNSON of Washington. I am not in favor of any act that taxes the Western States through a Federal process.

Mr. RAKER. Through the present law you only get a revocable permit.

Mr. JOHNSON of Washington. I have not time to go into detail as to that now.

Mr. RAKER. Do you not think it is a beneficent change to give them a definite period of 50 years?

Mr. JOHNSON of Washington. I do not. One of the reasons for saying so is that there arrived in my mail a week ago a paper—the Camas (Wash.) Post—printed in one of the counties of the district which I have the honor to represent, that told of the failure of one of these power plants. This paper says:

If we remember rightly, we were promised that a great wave of prosperity would start spreading itself out over the country about July 1. Here it is along in August and we fail to notice anywhere where the wave has struck with any considerable force, but we have noticed within the week that the Washington-Oregon Corporation, operating power, light, water plants, and street car systems in this State and Oregon, has been placed in the hands of receivers, to say nothing of the army of employees dropped by the Pacific Power & Light Co. from their several propositions in the Northwest, within a short period, and the hundreds of woodworking plants throughout this State that have closed down.

Now, it failed, so far as I can learn, because it had met with some disastrous fires and had a few bad accidents. These things happen to corporations. It does not take much, where they are paying a heavy rate of interest, to put them out of business.

That electric company furnished the cities and towns of Centralia, Chehalis, Winlock, Vader, Toledo, Castle Rock, Kelso, Kaloma, Woodland, Vancouver, and other places in southwestern Washington with light, power, street car, and suburban road service, as well as Rainier and many other places in Oregon. It was engaged in great development work; and——

Mr. BOWDLE. Will the gentleman permit a question for the benefit of one who comes from the rain belt? Can you tell us something of what the objectionable features are of conservation that has been thrust on you?

Mr. JOHNSON of Washington. Yes, indeed I can; if I can get the time to do so, but my time is very limited. I will take pleasure in sending to you copies of my speeches on "The sad side of conservation" and "Facts about the forest reserves."

Mr. Chairman, let me make it clear that while other States are slightly affected by this bill, the 11 far western ones within round numbers have one-half of all their vast territory locked up in forest reserves, national monuments, or other reservations—public domain, and yet not public domain—and are the States that have to pay the United States for the privilege of being States.

Practically one-half of each one of these States—my own State of Washington being the least conserved, with only 40 per cent of its area hung up—the half, I say, of 11 Western States are not governed by their governors.

Half of each State is not represented by the Senators and Members of Congress sent here by the voters.

Mr. Chairman, the half that is not governed by the governors gets a sort of hydra-headed government, divided between two members of the Cabinet, subject to change every four years or even oftener. They are subject also to an occasional Executive order, but, as a matter of fact, they are governed by a great bureau. That bureau gets its appropriation from the great Committee on Agriculture. It is proposed in this bill to take away some of the control of that bureau, now in the Agriculture Department, and pass it over to the Interior Department—more battledore and shuttlecock. Fifty or sixty Members of Congress are interested enough to listen to the chairman's explanation of the bill. About 200 Congressmen are out of town, and the rest are willing to let this go, simply because it is "in the cards." What do they care if this legislation bears down on the West, as has other legislation in the past?

Mr. BOWDLE. May I ask the gentleman this, whether these faults have grown up under the reclamation act?

Mr. JOHNSON of Washington. No; the reclamation act is an entirely different proposition. But, in my opinion, this bill provides a sort of sop for the Reclamation Service. You will find that in section 8—a scheme to turn some of the State's own money through Federal collection back to its irrigation propositions a long time hence.

Mr. RAKER. Will the gentleman yield right there?

Mr. JOHNSON of Washington. Yes.

Mr. RAKER. So that the House may not be misled, the gentleman stated that the Committee on the Public Lands was composed of eastern men. There are 21 men on that committee, and 14 are from Western States.

Mr. JOHNSON of Washington. I beg your pardon. I do not think I made any statement about the Public Lands Committee, or where the members come from. I will say, however, that in view of the earnest resolution of the western governors I can not but feel—and I say this with all due respect to the chairman of the Committee on the Public Lands and all the members of that committee—that this hypnotic and wonderful word "conservation" must have done its work in the committee room.

I want to say here, parenthetically, that, in my opinion, that committee has been heavily overworked. Here are these four bills and other great public bills, to say nothing of very many private-land bills. That committee has had a long, hard siege, and this bill is the result.

I contend that this bill is imperfect. The committee wants to do something and is afraid to do it.

I would like to ask the Members who are interested to read the remarks on conservation made by the chairman of the committee, Hon. SCOTT FERRIS, at the Dry Farming Congress at Tulsa, Okla., in October last year, printed in the RECORD of November 29, 1913, by Hon. CLAUDE WEAVER. There is a splendid statement from the chairman of that committee as to what conservation has done to the West. I stand on what Mr. FERRIS said on that occasion.

Let me refer to section 8 again for a minute. I have not time to read it, but if you will glance at it you will agree that it needs explanation. I asked one member of the committee what section 8 meant. That is the section in regard to the collection of the revenues and covering them back in the Reclamation Service. The reply I received was, "Oh, it is a little matter of bookkeeping; a case of fifty-fifty. See?" Do you see? I do not see. What does it mean?

Seventy-two and six-tenths per cent of the potential water powers of the United States lie within the boundaries of 11 Western States, and 6 of those States, as shown by the printed report, have public-service commissions to regulate them. The other States in that group will soon have commissions, which can handle these things more advantageously, and far better than the United States Government can.

Mr. Chairman, these experts who figure the potential hydroelectric power of the 11 Western States at 20,000,000 horsepower have missed their guesses by thousands upon thousands. Mere dope. Dream-book stuff, worth while only to keep the wheels in the Government Printing Office and in the heads of the library theorists going around.

The State of Washington, according to these hearings, page 651, has 2,825,000 horsepower running to waste, which it is proposed to capture by this bill. You may capture it, but you can not guarantee capital to finance it or any part of it. When you consider that the experts have allowed us nearly 3,000,000 horsepower, do you not think they have drawn it a little fine to limit the rancher to 25 horsepower? He can use his little 25 horsepower for his sawmill or his dairy. He can use his 25 horsepower, but the other millions of horsepower will go to waste until some fellow comes along, with millions of money loose in his pocket which he wishes to expend in the development of gigantic horsepower, under such restrictions as this bill proposes.

Now, if you know what 10,000 horsepower means—if you know that in 1912 our State of Washington had, in plants of 1,000 horsepower or over, developed 300,510 horsepower, you will gain some idea of the worthlessness of these gigantic figures in these statistics. "Millions, billions, or trillions, it is all the same," as I once heard one of our famous Washington statesmen say in regard to the tariff. He is still a statesman of great ability and prominence, but now a resident of Illinois. Millions, billions, or trillions, it is all the same when you are writing a conservation dream book.

I said that my State had hydroelectric horsepower developed and used to the amount of 300,510. Massachusetts, a great manufacturing State, has 129,589, or much less than one-half. Why talk about 20,000,000 unused in the far West? Why not talk about some money with which to make it usable. Investors on the public domain must pay toll to the Government and then compete against the great amount of power which we now have working and which we sell as low as one-fourth cent per kilowatt hour. Can it be much cheaper?

Let us quit sitting up nights thinking about 20,000,000 horsepower in the 11 Western States and get down to figures one can think about seriously and——

Mr. CLINE. Mr. Chairman, will the gentleman allow me to ask him a question?

Mr. JOHNSON of Washington. Yes.

Mr. CLINE. Do I understand it to be the gentleman's position that the State governments have the exclusive and absolute power and control over the waterways of the several States?

Mr. JOHNSON of Washington. Yes; within the States.

Mr. CLINE. No matter whether they are on Government land or not, so long as they are nonnavigable rivers?

Mr. JOHNSON of Washington. Yes. Every western man knows that you must interest capital, including local bankers, in such projects when they are undertaken, and——

Mr. CLINE. I was trying to get the gentleman's proposition as to where the jurisdiction lies with reference to the control of these water powers.

Mr. JOHNSON of Washington. The States were given the rights in the acts which organized them. Of course, my most serious objection is that this bill provides for the collection of money for the United States Government from what these Western States expected to be their own resources with which to build up their States and from which they expected to obtain revenue by taxation.

Mr. CLINE. If the authority is exclusive in the mountain States—and I assume that arises out of the theory of prior appropriation, does it not—then where does the Federal Government gets its right and power to dictate upon what terms it shall be used?

Mr. JOHNSON of Washington. I wish I knew; and I wish I knew where the army of map makers, investigators, special agents, rangers, experts, and others who run all over western country get their power.

Mr. CLINE. It is the gentleman's theory, is it not, that the State itself, without any regard to the Federal Government, should develop this water power?

Mr. JOHNSON of Washington. The States should control the development of it. We have seen bureaucracy work out in the Forest Service. We were promised moneys which we never got, and will not get in this generation. We are told now that it will take at least 30 years to work some practical forestry scheme, and we hate to see anything of that kind coming in reference to these millions of horsepower.

The report, No. 842, to accompany this bill consists of 13 pages for the enlightenment of Members who have not time to read the hearings or pay any attention to the debate, and contains this illuminating paragraph:

The report of the Commissioner of Corporations for March, 1912, shows that at that time we had a possible 25,000,000-horsepower capacity capable of economic development by water power, whereas we had only 6,000,000 horsepower actually developed. According to this estimate, if we exercised proper diligence and economy we should have 19,000,000 horsepower per year more than we now have. Allowing 15 tons of coal for the development of one horsepower a year, the failure to develop our available hydroelectric energy would represent the unnecessary handling and consumption of 285,000,000 tons of coal per year, if the hydroelectric energy could be distributed over the whole country where needed, which, of course, is not quite practicable.

Not quite practicable! I suppose some one thinks that under the limitations of this bill we can find the millions necessary to develop the 20,000,000 of potential hydroelectric current out our way, conduct it along high-tension wires along a privately owned right of way for 2,000 miles for the purpose of running a churn in Oklahoma.

The State of Washington is somewhat interested in this bill, inasmuch as that State, at the time the report of the Commissioner of Corporations was issued in 1912, shows us to be third in rank of hydroelectric power, being exceeded only by New York and California.

Mr. Chairman, in the State of Washington we are supposed to have nearly 3,000,000 horsepower in the forest reserves. We know something about conservation. We have had some experience, and here in these 772 pages of hearings there has been placed by some hocus-pocus a little table that shows why we are a little squeamish when a conservation bill comes up. The Forest Service is allowed under the Agricultural bill to spend 10 per cent of the sales of Federal timber in the State for the construction of roads in the reserves.

Under that law there has been built up to December, 1913, in the eight great forest reserves of the State of Washington, road mileage of the following stupendous figures:

	Miles.
District No. 1	1.50
District No. 6	11.80
Total	13.30

Gentlemen, that is going some. There are 11,660,660 acres of forest reserves in Washington—eight reserves in all—and under the 10 per cent system the United States Government has built 13 miles of road, or a little more than a mile per million acres.

Ten per cent! That is what was promised to those people out there to make them feel good and be patient a little while longer.

The shelves of the Library of Congress are piled up with books on conservation, and in one of those books a few years ago Mr. Gifford Pinchot, the great conservation expert, gave his estimate of all the standing timber in the United States; and a few years later, without making the slightest allowance for what had been cut, he increased his estimate a thousand million feet. Think of it—a thousand million feet! That is exactly the way these tables go when you get down to brass tacks on them.

Mr. HUMPHREY of Washington. Mr. Chairman, will my colleague yield?

The CHAIRMAN. Does the gentleman from Washington yield to his colleague?

Mr. JOHNSON of Washington. I yield.

Mr. HUMPHREY of Washington. On that point I might state to my colleague that when I was first elected as a Member of Congress there was more standing timber in what is now the first district of the State of Washington—the old district that I now represent—more standing timber in that district than the forestry experts estimated in the whole United States.

Mr. JOHNSON of Washington. Yes; and in my own county—in the one-half of it which lies outside the forest reserve—there is more timber than can be cut in 125 years at the present rate of cutting.

Mr. HUMPHREY of Washington. Mr. Chairman, will the gentleman again yield to me?

Mr. JOHNSON of Washington. Certainly.

Mr. HUMPHREY of Washington. The gentleman spoke about it taking 125 years at the present rate to cut the timber in his own county. I think the gentleman ought to add that the timber there will reproduce itself in half that time.

Mr. JOHNSON of Washington. Yes; and the timber is not being sold and can not be sold. We see conservation employees, who are paid by the great timber interests that have the greatest interest in the conservation propaganda, keeping up the agitation.

Mr. HUMPHREY of Washington. Before the gentleman leaves the matter of the Forest Service and the estimate of timber, I would like to call his attention to what he probably remembers very well, that an estimate was given by the so-called conservationists in the Forest Service 25 years ago, in which they estimated the standing timber at one-half less than they estimate it now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FERRIS. Will the gentleman from Washington yield a little more of his time? We are still considerably ahead in the use of time.

Mr. JOHNSON of Washington. I should like one minute more.

Mr. LA FOLLETTE. I yield one minute to the gentleman from Washington.

Mr. JOHNSON of Washington. I am going to leave this small map, taken from the report, where Members can see it, and those who are really interested can see from the facts that the State of Washington now is the third user of developed horsepower. In their order, I believe the States are California, New York, and Washington. Members can see from that why we are especially interested, from the fact that we have already great developed horsepower.

Mr. BOWDLE. Will the gentleman yield?

Mr. JOHNSON of Washington. With pleasure.

Mr. BOWDLE. I understand the gentleman approves of the statement of his colleague [Mr. HUMPHREY of Washington] that it will take 125 years to remove the timber from his Commonwealth?

Mr. JOHNSON of Washington. That is my statement—not my Commonwealth, but in one-half the county in which I live.

Mr. BOWDLE. Does not the gentleman understand that the East has been so far stripped of its timber now that the first fleet to come through the Panama Canal will be a fleet bringing timber to the East from the gentleman's own State?

Mr. HUMPHREY of Washington. I hope you will be able to discover something of that kind. We have not.

Mr. JOHNSON of Washington. I hope the statement of the gentleman from Ohio will come true.

Gentlemen, I thank you for your attention. [Applause.]

Mr. LA FOLLETTE. I yield five minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Chairman, the avowed purpose of this bill is to prevent private monopoly of water power. The monopoly of such power is dangerous and injurious to the public, because it would give those holding it the power to tax every industry which is or which will be dependent upon hydroelectric power. That power in private hands would mean the highest price possible and would in turn enter into the cost of producing the commodities necessary to the existence and comfort of American citizens.

In other words, the cost of living is the real issue underlying this measure, just as it is of every other economic question before this country. The cost of living has wrought revolutions in American history, and it may cause others in the future. The Revolution through which this Nation was founded was due to the attempt of George III to add to the cost of living in the Colonies. It brought about a political revolution in 1912, when the people commissioned a new administration and party to make war on the system of exploitation that had meant excessive prices for the necessaries of life.

In obedience to that commission the party in power has undertaken certain reforms. The revision of the tariff, the income tax, and other measures were calculated to shear some of the power from those who, through special privileges, preyed upon the people. But no tariff revision or income tax will prevent the pillage of dollar brigands as long as they have power to corner the food supplies of the Nation and manipulate their values in arbitrary fashion.

Year after year there have been exposures of the outrages of these insolently confident powers. Their slimy trail has been seen in political, financial, industrial, and social wrongs. Still, in spite of outbursts of public indignation, they have continued their course of exploitation and despoliation until the latest and most brazen disregard of right and decency and exhibition of despotic power—that of creating practically a food famine in the midst of crops greater than the world has ever seen.

Since the first breath of the European war, the prices of foodstuffs have been mounting skyward. With every natural reason why they should be lower, since the supply was abundant, with no chance for exportation, prices were sent soaring by artificial methods until they have reached a point which means an almost unbearable tax upon every necessary of life.

I have taken the list of 15 articles declared by the Bureau of Industrial Statistics to be the principal foodstuffs of the average American family. This list includes steak, rib roast, pork chops, bacon, ham, lard, flour, corn meal, eggs, butter, potatoes, sugar, and milk. The market quotations on these articles in a dozen large cities of the country show that there has been an average increase in price amounting to 22 per cent. Such an increase is wholly unjustified, but it has been planned and carried out in systematic manner. Here is a statement from the Pittsburgh Leader of August 12 which is typical:

In Pittsburgh market yesterday the agents of beef houses and packers went among the retailers, calling the butchers aside and telling them prices must go up higher to-day. It is only fair to the retailers to say that they are as angered over the situation as the consumers. However, the retailer has no recourse; he must boost along with the food barons and the people must pay the freight.

"Boiled hams are up 3 cents a pound," said one agent.

"Do they feed the European armies boiled hams?" asked a retailer.

"Why don't they raise the price of sweetbreads, frog legs, pate de foie gras, and ice cream because of the war?" asked another.

With war 3,000 miles away and with an oversupply of foodstuffs on hand, prices have been skyrocketed to such a point that a continuance at the same rate would mean a depopulating famine within 30 days. Every newspaper tells the same shameful story, and I have received scores of letters from constituents telling of the unwarranted advances in prices of articles of food, alleged to be due to the war across the globe.

That food cornerers have the effrontery to do any injustice that will serve their rapacity, is clearly proven by the history of the past 10 years. That they have the power to-day, in such a time as this, is to the everlasting shame of the Nation. To end such power now and for all time is the sacred duty of every American citizen and every representative of the people.

Wherein lies the power to levy tribute upon every table in this land as has been done within the past two weeks? To my mind it rests upon monopoly and gambling in foodstuffs. The sure test of monopoly is the power to fix prices, and that power is held by the great packing interests of America. Through vast corporations, working together like clockwork, they control the supply of meat products. They have immense storage houses, in which they keep their products indefinitely, letting them out at such times and in such quantities as will maintain the top prices. At the first signal of European war they began hoarding meat in storage. They forced the prices up and up, building on the knowledge that the war would, some time in the future, mean a great demand, which would enable them to exact extortionate prices abroad.

Because of a perfect understanding and unity of greedy interest, these great packing companies have the power to control the market. Through their storage facilities they perfect their hunger hold upon the people, compelling the payment of excessive prices.

That is one element in the situation. The other is the gambling in foodstuffs on the Chicago Board of Trade and at other grain and produce exchanges.

If any Member of Congress doubts the effect of this gambling on prices, I hope he will read the hearings before the Rules Committee on the Manahan resolution asking for an investigation of these exchanges. They are worthy of careful reading and study. There appeared before the committee members of the Chicago Board of Trade and other grain exchanges, as well as representatives of the great grain growers of the country. I attended those hearings and was convinced, as I believe any fair-minded man who reads the hearings will be convinced, that these great centers of gambling are injurious to the best interest of every American. They are worse than private gambling hells, for these latter affect only the few who engage in it, but gambling in foodstuffs affects every man, woman, and child. The average man does not speculate on the exchanges and knows nothing about it, but he feels the result when flour goes up $1.60 a barrel, as it has within 10 days.

Samuel Greeley, of Chicago, a member of the board of trade of that city for 28 years, testified to some interesting facts before the Rules Committee. He stated that the gambling in wheat on the exchange amounts to more every day than is received in Chicago in a year's time. In other words, in a year between seven and eight billion bushels of wheat are bought and sold on the Chicago exchange, while only 25,000,000 bushels of wheat are brought to the city. The buying and selling of futures at this one exchange amounts to ten times the entire yield of wheat in the United States.

Mr. Greeley further said:

The crops of this country, the aggregate of the wheat, corn, and oats, is about 5,000,000 bushels annually, and every cent per bushel fluctuation in the market value of grain on the Chicago Board of Trade sets the price in this country either up or down $50,000,000. Every one-eighth of a cent per bushel fluctuation in the price of grain futures created by the Chicago Board of Trade creates a difference in the values of grain of this country of over $6,000,000.

If that statement be true—and it was not denied by officers of the board of trade who followed Mr. Greeley at the hearings—what has been the fluctuation in prices caused by these gambling price makers within the past few days?

I have in my hand copies of the Chicago Tribune, a paper recognized as accurate in all its statements. In the Tribune of July 29 I find the following:

GRAIN TRADE IN A TURMOIL—AUSTRIAN WAR CAUSES PANIC IN WHEAT PIT—PRICES UP 8 TO 9½ CENTS—LAST VALUES HIGHEST.

The wheat market was of the wildest description possible yesterday, and prices wound up at levels which made the quotations of the previous day ridiculously cheap. At the close values were 8¾ to 9½ cents higher, the most sensational advances on general market conditions in many years. Except when there has been manipulation in some one month or another, such fluctuations as were witnessed have been seldom seen.

The upward trend did not end there, but continued. In the Tribune of August 3 I note the following:

GRAIN MARKETS MAKE HISTORY—WAR SCARE CAUSES SENSATIONAL PRICE UPTURN—WHEAT MART ON THE RAMPAGE—CHECKS EXPORT TRADE.

Last week will go down in grain-trade history as one of the most memorable ever known. The outbreak of war in Europe, while not unheralded, was unexpected, and for a time panic conditions prevailed, with all other news considerations swept aside as prices advanced to levels undreamed of a few days ago.

That is the system in operation. Prices have been manipulated upward until a fluctuation of 15 cents has been made. Taking that as a basis for computation, it is probable that these price makers by gambling have changed values to the amount of more than half a billion of dollars within 10 days.

The law of supply and demand has had nothing to do with this remarkable fluctuation in price. The crops are the greatest ever produced in the country, and the United States has food for all the world. We could export 200,000,000 bushels of our wheat without a legitimate advance of a cent a bushel. It is a gambling proposition pure and simple.

Brokers, representing a combination of interests, go upon the floor of the exchange and offer to sell wheat which they do not have or expect to have. Others offer to buy at the date fixed, betting on the market price at that date. No wheat exchanges hands, but the manipulation forces the price up or down, and the price at closing of exchange becomes the market price, and is telegraphed to the world through special telegraph service. This price becomes the basis of business everywhere.

When certain great combinations, controlling warehouses, transportation facilities, elevators, and so forth, manipulate the market by fake buying and selling at constantly increasing prices, they may fix a fictitious value, far above real value, and reap a rich harvest through their rapacity, although their stealings come from the defenseless public.

Now, the farmer does not get the benefit of these gambler-made prices. He is as helpless as the laborer in the city who buys a loaf of bread at the grocery. The system has safeguarded that by absolute control of warehouses, elevators, and transportation facilities. Mr. Greeley, in testifying to this condition, said, page 31 of the hearings:

I make the statement, without fear of contradiction, that the ownership of public warehouses in the city of Chicago by a combination of men, acting in concert—or, at least, on similar lines—that four men, acting in harmony, trading in futures, selling quantities of futures day by day, do more at the present time—and for years during the course of our markets have done more—to reduce the price on the farm than all the concerted actions of the world taken together, outside of panics and severe crop-damage reports.

Now, who are these four men whose influence regulates the price of the grain to the world, to both producer and consumer. One of them is J. Ogden Armour, head of the great packing interest, which has a hunger hold upon the people through beef products. The Armour Grain Co. controls public warehouses with a capacity of 7,000,000 bushels and private elevators with a capacity of 4,700,000 bushels. Five concerns control every public elevator except one and private elevators with a capacity of 13,600,000 bushels.

Representatives of these concerns fix the price which is to be paid to farmers at the elevators. Mr. Marcy, manager of the country line elevators for the Armour company, testified before the Interstate Commerce Commission some time ago. He was asked:

How is the price determined which will be paid by your country elevators?

He answered:

By myself largely. I make up the prices at the close of 'change for our bids and everything

Mr. Williams, of Madrid, Iowa, owner of an independent elevator at that place, in sworn testimony before the Interstate Commerce Commission declared that he had been requested by

the general freight agent of the Chicago, Milwaukee & St. Paul Railroad to go to Chicago to meet Mr. Marcy in the Armour company's office. The purpose of the meeting was to arrange the prices to be paid the farmers of Madrid and adjacent territory and to divide the business at that point.

It is impossible to give all the ramifications of this throttling control of monopolists and gamblers upon the food supplies of the country. It is a system that robs both producer and consumer and subjects all the people to a tribute levied by unbridled rapacity. It means that the prices of the necessaries of life are fixed by a system of chalk marks in great gambling centers. It means that the law of supply and demand, which is rigorous enough to most Americans, has been supplanted in price making by the decree of cold-blooded conspirators.

There are many to deny my conclusions, but no one should deny that it is time to learn the truth. The advancing of prices on articles of food in such flagrantly unjust fashion as has been seen in the past 10 days should compel action. I have introduced the following resolution with that purpose in view:

Resolved, That the Secretary of Commerce be, and he is hereby, requested to furnish the House of Representatives information as to whether the prices of articles of food necessary to the health and well-being of the American people have been arbitrarily advanced in the home markets on the pretext that the high prices of such articles are the result of the European war.

Second. Whether the manipulation of values by speculators on the Chicago Board of Trade and elsewhere is resulting in unjust and unwarranted advances in the prices of foodstuffs, in spite of record-breaking crops in this country and the fact that there has been little or no exportation of food supplies to the countries at war in Europe.

I urge that such action be taken at once, either by Congress or Executive authority. The challenge thrown down by these traitors to the common good must be taken up at once, before long-continued misery and privation have resulted. The cost of living under such circumstances as these is a fuse, and it is burning dangerously near the explosive. If gamblers and food monopolists have the power to raise prices of the necessaries of life 22 per cent in 10 days, they have a power which threatens the safety of the Nation. It is time to shear them of such power, even if the grain exchanges and produce exchanges should be forced to follow the wake of their sister institutions, the Louisiana Lottery and race-track gambling.

Mr. LA FOLLETTE. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, in a general way I am in favor of the provisions of this bill, although I do not find that I can vote for it unless it is amended in some particulars so that we can know what it means. The first provision of the bill to which I direct attention is authority to the Secretary of the Interior to lease "any part of the lands and other property of the United States" for the term of 50 years for hydroelectric purposes. In other words, if the Government of the United States has constructed locks and dams anywhere upon a river for purposes of navigation, this bill gives to the Secretary of the Interior authority to lease any of the land or property owned by the United States. I see the gentleman from Oklahoma [Mr. FERRIS] shakes his head. Why does it not do it? That is what it says.

Mr. FERRIS. Because it merely applies to the nonnavigable streams and on the public lands of the United States.

Mr. MANN. Where is that provision in the bill?

Mr. FERRIS. It is all through the bill.

Mr. MANN. Oh, no. I have looked all through the bill, and it is not all through the bill. That is the difficulty about it. It covers all of the land and other property of the United States, and that is the language of the bill. It plainly authorizes the leasing of property, which leasing is also covered in certain cases by the Adamson bill which passed the House the other day; but if this bill should become a law, it gives the same power to the Secretary of the Interior without any action by Congress, and in many cases in the Adamson bill the passage of a special act by Congress is necessary before that law becomes operative.

Then, this bill authorizes the issuance of a temporary permit, either at the discretion of the Secretary of the Interior or else he is required to issue a temporary permit. For what purpose? So that somebody who conceives that somewhere there is a chance for the development of hydroelectric power and who wishes to make an investigation of that matter may do so, to see whether he will apply for a lease under the terms of the bill. He applies for a temporary permit for the purpose of making an investigation, and the Secretary of the Interior under the terms of this bill must issue a temporary permit in order that the applicant may ascertain whether he wishes to develop the power. Under the terms of the bill, if the applicant wishes to develop the power upon the terms named he has a preference right under the lease.

One would suppose that some one would ascertain in reference to the probability of the power and its value at that point before determining the terms upon which the Government would grant a lease. There may be one case where a small amount of power can be developed not of great value, and there may be another case where a very large amount of electric power may be developed and the franchise be of great value. But without any investigation on the part of the Government, without any knowledge of the situation, so far as the Government is concerned, when the temporary permit is granted to authorize somebody else to investigate, the Secretary of the Interior must fix the charges and the rentals in his temporary permit—without having investigated as to the chance for the power or the value of the power, without any knowledge on his part in advance. I read from the bill:

The tenure of the proposed lease and the charges of rent or rentals to be collected thereunder to be specified in said preliminary permit.

I appeal to the gentleman to inform us what that means.

Mr. FERRIS. Will the gentleman permit an answer right now?

Mr. MANN. I am trying to get information.

Mr. FERRIS. The committee studied long over that, and we had the advice of the best engineers and departmental officers in both departments, and their thought was simply this: A going water-power concern does not consist of two hills and flowing water alone, but of water rights, of money to finance it, and all the private property that has to be purchased, all State water rights that have to be taken over, all collected together, and no one can tell whether he can finance a proposition of that kind until he has some time in which to try. The time prescribed—one year—is thought to be the correct time.

Mr. MANN. But the gentleman has not answered the question I asked him.

Mr. FERRIS. I am coming to that.

Mr. MANN. Do not take up too much of my time, for I have not very much.

Mr. FERRIS. I will not. A further objection of the gentleman is that the department knows nothing about what it is going to do. In the first place, all of these powers were withdrawn so that before they were withdrawn the department knew something about them; and, second, they have a going force now that can go and investigate and that does investigate, and they know what the Government's rights are to start with before they issue any lease or permit.

Mr. MANN. All of the information that the department has is public information, secured from the Geological Survey or some other place. The applicant can get all of that information, and he will have the same information in advance that the Government has, but you give the applicant a year's time or more in which to ascertain the possibilities at this point, but the Government has to fix the terms of the rental, the charges for the lease, in advance of any knowledge whatever.

Mr. TAYLOR of Colorado. Mr. Chairman, will the gentleman permit a suggestion?

Mr. MANN. If it is to this point.

Mr. TAYLOR of Colorado. The idea of that is that the people have to know the terms upon which they can get the permit before they can finance the proposition.

Mr. MANN. I know, but that is a matter for the permanent lease. Why do they need to know the terms before they make an investigation?

Mr. TAYLOR of Colorado. It is purely discretionary.

Mr. MANN. It is not discretionary. It is a chance to permit a wildcat adventurer to obtain terms in advance for sale. That is what it is. I do not suppose that was the thought in the mind of the committee, but that is what it amounts to. It is the greatest chance for preference and fraud that I have seen in a bill in many years. Here is Tom, Dick, or Harry, who comes in, and he thinks there is a chance for the development of water power at some place. He does not know anything about it, and neither does the Government—not in detail. He applies for a temporary permit, and the Secretary of the Interior, in his temporary permit for the purpose of making an investigation, is required to fix the term of the lease and regulate and fix the charges and rentals. Well, the man who makes the rentals, if he finds it is soft, he takes the lease, but he is not obliged to do so. If he finds it is not a soft mark, he throws it up, but, having obtained his permit lease, he goes onto the market and sells it to whoever he pleases, to whoever he can get to buy him out. Nobody else can come in; he has the preference right, and he has a permit obtained in advance of any knowledge either on his part or the part of the Government.

Mr. CLINE. Will the gentleman yield for a brief question?

Mr. MANN. I will.

Mr. CLINE. Are these rates to be uniform?

Mr. MANN. No; they are not to be uniform.

Mr. RAKER. Will the gentleman yield?

Mr. MANN. For information, not for a speech.

Mr. RAKER. In reference to the question of regulation. Is it not a fact under the bill this permittee can not sell if he wants to without the permission of the Secretary of the Interior?

Mr. MANN. Oh, that is true.

Mr. RAKER. That being a fact, how can he speculate?

Mr. MANN. Of course he can go to any Secretary and he can speculate as far as that is concerned even without selling. How is it possible for a Secretary of the Interior in advance, without investigation on his part, to determine what length of lease ought to be granted or what rentals should be charged?

Mr. RAKER. Will the gentleman yield for a question there?

Mr. MANN. I will yield for an answer to that question.

Mr. RAKER. I will answer it in this way, that the testimony shows that on some of these plants they have spent almost a million dollars to determine whether or not to proceed. Now, you would not want to allow the permittee to be in a position that some third party could come in and, as it were, kiss him off the slate.

Mr. MANN. I was asking a direct question. Here are vast water powers throughout the United States. No one knows, the Government has not investigated, but they have been withdrawn from the public domain on the theory that they present possible water power. No one knows the possibility at those places. No investigation has been made as to that, and yet you propose to have the Secretary of the Interior, without investigation, say in advance that a man may speculate in a thing. He does not have to take it if he does not want to. You give him the right without investigating it, and the Government is bound without any investigation. If he goes in, he can take it, but he does not have to take it. I do not see anything in such a proposition. Then I am unable to understand what is meant exactly by sections 3 and 9. Section 3 provides that where any power transmitted is in two or more States that the Secretary of the Interior shall control the charges. Section 9 provides that where the power is not wholly within a State—and I use the term "public-utilities commission"—the Secretary of the Interior shall control the charges, excluding by inference the power of the Secretary of the Interior in those States which have public-utilities commissions. I think that was the design of the bill. Well, there is water power located in a State usually on those streams where this applies which will not be navigable waters and not be boundary waters between States. Usually the power will be developed in the State. Well, suppose, for instance, the power is developed by a dam in a State which has a public-utility commission? Who has control over the charges, the Secretary of the Interior or the public-utilities commission?

Mr. FERRIS. If the gentleman will permit me to answer, the intention of the bill is to the section referred to where the power is generated and used within a State, wholly an intrastate matter, the local public-utilities commission have control.

Mr. MANN. I know, but I was asking a reasonable question.

Mr. FERRIS. And I was trying to answer the gentleman.

Mr. MANN. The gentleman perhaps did not quite understand it.

Mr. FERRIS. Perhaps not.

Mr. MANN. Suppose a dam is constructed wholly within a State for the generation of hydroelectric power and that State has a public-utilities commission; does the Secretary of the Interior control the charges or does the public-utilities commission?

Mr. FERRIS. The public-utilities commission.

Mr. MANN. Suppose in the course of time they run a line out of the State carrying electricity; then who controls?

Mr. FERRIS. The State loses jurisdiction, and the Secretary of the Interior performs a function similar to that of the Interstate Commerce Commission in fixing the rate.

Mr. MANN. Then, to-day it is under the Secretary of the Interior and to-morrow it is under the public-utilities commission, or to-day it is under the public-utilities commission, which fixes the rate, and to-morrow it is not; or, in other words, if the company finds it is to their advantage to deal with the public-utilities commission they may suspend a line, or if they find it to their advantage to deal with the Secretary of the Interior they may extend the line across the State?

Mr. FERRIS. The principle is identical with that of a railroad. The gentleman knows as to interstate railroads the Interstate Commerce Commission applies, and when it is intrastate the State commission applies, so there is no difference.

Mr. MANN. No; the gentleman is mistaken about that. The Interstate Commerce Commission only has control over roads between the States——

Mr. FERRIS. That is true.

Mr. MANN. And this takes away the power of the secretary of the public-utilities commission in a State over the transfer of a power in a State the moment the company runs a line beyond the border of the State.

Mr. FERRIS. Does the gentleman think water powers ought to be without any regulation at all?

Mr. MANN. I do not. I believe they ought to be properly regulated.

Mr. FERRIS. The gentleman is arguing that fact.

Mr. MANN. I beg the gentleman's pardon; I am not arguing that question at all. I believe in regulation, but not having it so that no one can tell whether it should be regulated by the Secretary of the Interior or by a commission; neither am I in favor of leaving it so that by the extension of a few miles of line the control can be transferred from the Secretary of the Interior to a public-utilities commission or vice versa, as may suit best their proposition. It ought to be definite one way or the other.

Mr. FERRIS. How does that differ with railroads crossing State lines?

Mr. MANN. I will tell the gentleman how it differs. It is absolutely different. This bill gives to the Secretary of the Interior, wherever there is any line that crosses the State, full control over all the rates fixed by the company, whether they are interstate or intrastate, but the interstate-commerce law gives to the Interstate Commerce Commission only interstate rates and not intrastate rates. Now, the Supreme Court has intimated that we have the power to control intrastate rates, rates wholly within the State, but Congress has never thought for a moment of taking the power away from the State of Texas, say, to control the rates on the railroads between points in the State of Texas. But under this bill, if there should be a water-power company, say, in Texas, that had a thousand miles of transmission wire in Texas, and they would run over the line into Oklahoma 1 mile, the public-utilities commission of Texas would no longer have any control over the rates to be charged by that company. It would be wholly within the power of the Secretary of the Interior. The gentleman admits that. I do not think that is the wise thing to do.

Mr. FERRIS. The committee had not intended to do more with water power than we do in railway rates, but I call to the gentleman's attention the fact that there may be necessity for going even further with the transmission of hydroelectric power; that is more delicate and intricate and difficult to ascertain, when they are doing an interstate business, how much interstate business they are doing, and so forth, than it is to check up freight taken from one State or another. That is a question for debate.

Mr. MANN. That is what I am doing. I am debating it.

Mr. FERRIS. I meant it is a question to think about. I did not mean to cast any reflection on the gentleman.

Mr. FERGUSSON. Can the gentleman point out the language there which makes the control of the Secretary of the Interior different in the case of the water user from what the railroad commission has in controlling interstate and intrastate commerce?

Mr. MANN. I have pointed it out. All the gentleman needs to do is to read section 3. It is perfectly plain.

Mr. FERGUSSON. I do not understand it.

Mr. MANN. There is no doubt about the meaning of it.

Mr. RAKER. I want to call the gentleman's attention to this language on page 4, where it says:

> Is hereby conferred upon the Secretary of the Interior or committed to such body as may be provided by Federal statute.

The committee realize that there is considerable difficulty in this, and I hope some time in the future there will be somebody authorized to handle this matter so that it would not be in the control of one man.

Mr. MANN. I think that alternative provision in the bill is a very good one. We would have the power through commission to maintain these rates whether mentioned in the bill or not. I think the utility commission in the States where they have commissions that regulate rates ought to have some control over the rates within their States. Under the terms of this bill, if a company furnishes power or electric power for light in a city, the Secretary of the Interior has control of the charges which the company may make in a municipality for light, whereas under the public-utility laws the public-utility commission of the State would have power, and in my judgment have it properly, because it has to regulate the power of the cities all over

the State, whereas this may be only one city out of a good many in the State.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MANN] has expired.

Mr. FERRIS. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. RAKER].

[Mr. RAKER addressed the committee. See Appendix.]

Mr. FERRIS. Will the gentleman from Washington [Mr. LA FOLLETTE] yield some time?

Mr. LA FOLLETTE. I yield to the gentleman from California [Mr. KAHN] five minutes.

Mr. KAHN. Mr. Chairman, I do not doubt that the committee believes this bill will do a world of good. It is a great improvement on the existing law which has handicapped the development of hydroelectric power, especially in the West. Personally I doubt, however, that the proposed bill will bring into being a single new hydroelectric power plant. The report of the Committee on the Public Lands on this bill itself confesses that in Montana the Montana Power Co. owns 97 per cent of the developed water power in that State and controls nearly as much undeveloped water power as it now has developed. Most of that power was developed at a time when the conservation question had not been taken up by Congress. The men who invested their money in that enterprise got their power sites without any strings attached to them. They are owners of those sites in fee simple, under patents obtained from this Government. They have been able to sell, and are now selling, power without any opposition from any competing company. They have practically a monopoly on the sale and delivery of hydroelectric power. The same is true in nearly every Western State. Take the State of California, for instance. It was in that State that long-distance power transmission was developed. Electric power was generated in the Sierra Nevada Mountains, or the foothills of the Sierras, and carried a distance of 190 miles to the coast cities where it was sold. A great many people have an idea that there are enormous fortunes made by these power companies. Probably some of them have made, and are still making, large returns on the amounts invested. But I know as a positive fact that there are several companies in California that were in existence 10 or 15 years before they were able to declare a single dividend.

I suppose the same is true in other sections of the West. To my mind the legislation for the regulation of these hydroelectric companies should be of the most liberal character. A company should be allowed to start its operations with as few restrictions as possible. I believe they should be regulated; but to tie them up with all kinds of rules and regulations made by the Secretary of the Interior will simply result in failure, so far as the formation of new enterprises is concerned.

Mr. RAKER. Mr. Chairman, will the gentleman yield to me right there?

Mr. KAHN. In a moment. The committee admit the law of February 15, 1901, is a failure, and therefore they have brought in this bill in the hope that new enterprises will be started. I now yield to my colleague.

Mr. RAKER. I think that the gentleman has practically answered the question that I was about to put to him.

Mr. KAHN. No new enterprises to speak of were started under that law. And yet the ultraconservationists believed they had achieved a great triumph for their cause when it was enacted in 1901. It simply resulted in the intrenchment of monopoly. We of the West, familiar with conditions out there, did not at any time take any stock in the legislation. We felt it would be a failure, and now the Committee on the Public Lands concedes it to be a failure. This present proposed legislation is intended to ease up the situation, but everyone who knows anything about the water-power problem in the West knows that it is practically impossible for a new concern to compete with an existing concern, if the new concern at the very outset is compelled to pay into the Treasury of the United States certain sums of money for its right of way and its privileges, which the companies already in existence do not have to pay. It can hardly be otherwise.

The existing hydroelectric power companies have in almost every instance a perpetual franchise. They own the power sites outright. They are not hampered by leases and rules and regulations formulated by the Secretary of the Interior. They do not have to pay a single cent into the Treasury of the United States on account of some privilege or permission contained in a lease limited to 50 years. They are in a position to cut the price of power so low that a new competing company, hampered by rules and regulations of the Interior Department and compelled to pay large sums into the United States Treasury for its lease and privileges, would quickly become bankrupt in its efforts to compete. It seems to me that must be self-evident to every Member of this House. It is simply common sense. It takes considerable capital to organize, construct, equip, and operate one of these companies. Does anyone seriously believe that men of means will invest large sums where the risks are so great? I for one can not bring myself to believe anything of the kind.

In my humble judgment the legislation that should be enacted in regard to water-power development should be liberal. It should not be hedged around with all kinds of conditions. There should be a provision to prevent combinations for the purpose of fixing the selling price of hydroelectric power with companies already established or companies subsequently organized. There should be a provision against limiting the output of power by agreement with other companies. There should be a provision against agreements with other companies as to the area to be served by the new company. Violations of these provisions ought to work a forfeiture of the grant. But I doubt the wisdom of hampering proposed new enterprises by compelling the latter to pay into the Treasury of the United States sums of money that will be a burden to those new enterprises which the existing companies will escape.

Mr. Chairman, what we need in the West is development. There are unlimited opportunities in the great States of Colorado, Wyoming, Utah, Montana, Idaho, Washington, Oregon, Nevada, Arizona, New Mexico, and my own State of California for the profitable investment of capital. It is considered the proper thing in some quarters to rail at the pioneers whose enterprise and capital and courage brought into existence some of the hydroelectric companies that are operating in the West.

I believe the men who conceived them, who put their money into them and took a gambler's chance on their proving successful, ought to be commended. In most of the Western States laws have been enacted which regulate the business of the companies. That is proper. None of them can object to honest regulation. And in that respect we have made considerable advance over the hysteria about conservation that swept over the country 8 or 10 years ago.

Why, Mr. Chairman, when the doctrine of conservation of the natural resources of this country was first enunciated it was hailed with such acclaim one was almost led to believe that a new gospel had been proclaimed. As a matter of fact, conservation in some form or another has always challenged the attention of mankind. The Hebrews had such a high regard for trees that they were forbidden to cut them down even in the land of their enemies. And we find in the Book of Deuteronomy, xx, 19, this injunction of the Lawgiver: "When thou shalt besiege a city a long time, in making war against it to take it, thou shalt not destroy the trees thereof by forcing an ax against them;" etc.

There has come down to our own times a tradition that centuries ago, when the "bow of yew" was the weapon of offense and defense of the people of England, a wave of "yew tree conservation" swept over that land. It was feared, even in those early days, that if the indiscriminate cutting of the yew trees of England was not prevented the inhabitants of the British Isles and their descendants would be deprived of their weapons of defense, and they would become in consequence easy victims to the hordes of assailants from the mainland who were constantly fitting out expeditions and attacking the inhabitants of the "tight little island." Of course, the proponents of that kind of conservation could not foresee the invention of gunpowder and our modern weapons of war. They groped along in the belief that the bow and arrow were essential to their very existence, and were doubtless just as greatly concerned about the conservation of their yew trees as our modern American conservationists are concerned about our supply of coal.

Many yeare later—in fact, a few years subsequent to the great naval battle of Trafalgar—an English admiral feared the time was rapidly approaching in the affairs of his country when the supply of oak trees would be exhausted. Oak was absolutely necessary for the construction of frigates and sloops and brigs of war. So this doughty old admiral was wont to equip himself with pocketfuls of acorns and a long cane with a sharp ferrule and start off on a tramp through the country districts. At every few paces he would jab his cane into the soil and quietly drop an acorn into the hole he had made. Thus he hoped to replenish the supply of oak timber then so necessary for the construction of Britannia's fleet of warships. He probably felt he was doing a great work in the cause of conservation. And even in our own country in the early part of the nineteenth century there was a great controversy over the cutting of white-oak trees, on the score that the timber was needed for the American Navy.

Neither the British admiral nor those in the United States who feared an oak-wood famine could foresee the success of the ironclad fighting ships. They did not know and probably would not have been able to realize that inside of threescore years from their day and generation not alone the vessels of the world's navies but also the vessels of the world's merchant marine would be constructed out of iron and steel.

Mr. Chairman, a sensible policy of conservation is a good thing. Willful waste should always be avoided, and, if persisted in, properly punished. If the great natural resources have been placed upon earth as a blessing to man, they should be used by man; but man should use them rationally. Personally, I do not fear what will happen in the future. I remember having read a doggerel many years ago about a "scientific gent" who had made a very careful computation as to when the world would come to an end. His figures were convincing to himself, at any rate. They foretold the end of this mundane sphere in about 95,000,000 years—and he worried about it.

I do not think we need worry about hoarding the great natural resources. If they should ever be in danger of becoming exhausted, Yankee ingenuity will devise some article that will not only be just as good as the original resource, but will be a whole lot better. It has been well said that "necessity is the mother of invention." My friends, whenever the necessity has arisen in this country the American inventor has always been on hand with his little patent to minister to our wants and bring just a little more creature comfort to his admiring countrymen; and, judging by the past, he always will be.

Mr. FERRIS. Mr. Chairman, I yield 15 minutes to the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR of Colorado. Mr. Chairman, at the time this bill was reported to the House by the Committee on the Public Lands, of which I am a member, I voted against the bill and reserved the right to file a minority report and also to oppose it upon the floor of the House when it came up for consideration.

I have not filed a minority report specifically against this bill, but I did file a minority report against the companion bill, H. R. 16136, for the general leasing of coal, oil, and gas lands—report No. 668, part 2. In that minority report I referred at length to this bill and to the leasing principle involved in this legislation.

I regret that these so-called conservation measures are being considered in this manner, under special rule, with only four hours being allowed for general debate, when it has such a tremendous and far-reaching effect upon the western half of this country, and when there is such a comparatively small attendance of the membership of this House.

I want to say at the outset that I do not want to be understood as criticizing the Public Lands Committee or any of my colleagues upon that committee. Moreover, I have the most profound respect for the ability and patriotic motives of the Secretary of the Interior, the Hon. Franklin K. Lane. I not only thoroughly believe in his honesty and ability and utmost good intentions for the upbuilding of the West, but I think he is the greatest Secretary of the Interior this country has had since Colorado's grand old man, Senator Henry M. Teller, held that distinguished and powerful office.

But I feel that I would be recreant to the people of Colorado who have three times honored me by election to this distinguished body, if I did not earnestly protest against this bill and to this class of legislation. I am and always have been opposed to having the resources of the West withheld from private ownership and put into a general Federal leasing system, and I can not reconcile myself to believe that it is for the welfare or development of our Western States to have our internal affairs governed by Washington bureaus. I earnestly feel that that is an un-American policy. We of the West do not like absentee landlordism, and we can not look with favor upon a large part of our country being occupied by renters who pay little or no taxes and who are on a tenant-at-will basis, with comparatively little interest in or allegiance to our State, and I feel that that is what this system of perpetually leasing our resources means to our States. I am therefore opposed to the passage of this bill—

First. Because, in my judgment, it is in violation of the moral, legal, and constitutional rights of the Western States, and is in contravention of the enabling acts by which they were admitted into the Union, and to that extent unconstitutional. I look upon this bill and its companion bill as absolutely and ruthlessly taking from the people of the arid West some of the most sacred property and political rights they have; not only reversing the position of this Government for over a hundred years, but violating the very constitutional guaranties upon which those States were admitted into this Union.

Second. Because if the bill is intended to prevent monopoly and extortion, that can be accomplished by granting a conditional and revocable title, subject to control by the Federal and State public-utility authorities, as to the amount of land that any company can hold, and also as to the rates and service. If we have not sufficient Federal laws for that purpose, let Congress enact them; and if the States have not sufficient laws at this time to safeguard the interests of the public, the Interior Department should continue its present withdrawal and excessive classification policy until such time as the States shall adopt such measures as will effectually protect the people.

Third. If the bill is intended by anyone as a systematic attempt to capitalize and exploit the West and convert into an enormous and permanent Federal revenue-producing proposition practically all of the remaining natural resources upon the public domain in the Western States, then it is an outrageous discrimination against those States and an infamous perversion of the taxing power, and at the same time depriving those States of their legal right of taxation of the property within their borders.

Fourth. Because if there is any one thing that the West is and has always been bitterly opposed to, it is the prevention of settlements and permanent withdrawal and withholding of our lands and other resources from entry and sale, and the capitalization of them into the production of Federal jobs and Federal revenue and bureaucratic rule 2,500 miles away. This system will be no benefit to the National Government, and it will very seriously retard the development of our Western States.

It is only fair to the Public Lands Committee and to the House for me to say that my objection to this bill is to the leasing and royalty system, and not so much to any particular items in the bill. I think the Secretary is given too much power, and other provisions are unwise. But I am not now protesting so much against the details as against the principle. If Congress has determined to enact any water-power leasing law, the terms of this bill are, in the main, not unfair. I earnestly and conscientiously worked with the committee for many weeks to make it as good a bill as possible, and there are many provisions in the bill that I earnestly hope will be retained if the measure is to be enacted into law.

Section 14 of the bill, specifically respecting, protecting, and reserving from the operation of this law all the vested irrigation, domestic, and other water rights of the West, is my individual amendment to the measure as originally introduced, and it is of very far-reaching and vital importance to the West that that section should remain in the bill; otherwise we will have interminable litigation and hardships. The provision authorizing the granting to municipalities all water power without any royalty charge is also my individual amendment, which should by all means be retained, and if it is, it will ultimately be of tremendous benefit to the public generally. And I earnestly supported other beneficial features of the bill, of which I was not the author, and I want to see as good a bill passed as possible, if our country has determined to embark upon this leasing policy. This is not a question of individuals or of political parties. It is a question of the constitutional right as well as the justness and advisability of a governmental policy.

Ninety-five per cent of the over 800,000 population of Colorado have always been against the policy of the Government going into a general business of the perpetual withdrawal and leasing of the natural resources of our State. And my protest is directed not only against this bill and its companion bill providing for the withholding and leasing of all the coal, oil, gas, phosphate, and other substances of our State without recognizing the moral and constitutional rights of the people of those Western States to have this property ultimately and according to law go into private ownership, but against what seems to me a part of an impending program and determination to take all of our resources, including gold and silver and other precious and valuable metals, and capitalize for Federal revenue everything that is now upon or in the public domain.

It is largely true, as stated in the report, that many of the natural resources of the West are to a certain extent in a state of nonuse; that is, they have never been opened up and developed. But we feel that it is not necessary for the Federal Government to go into all of these different kinds of business and adopt a general leasing policy of all of those resources in order to open up and develop the West. If the Government will open them to entry and reserve the right to control the rates and service and guard against monopoly, they will all be developed expeditiously and capital will feel safe in investing.

I am fully aware that a large number of good people throughout the West have become discouraged and sick and tired of the dog-in-the-manger policy that has been pursued in recent years

by the Interior Department in relation to water-power development. They want the country developed during this generation, and it is admitted by all concerned that the present policy is an absolute prohibition against any development, and many of our citizens are apparently willing to accept almost anything that gives even a delusive hope of opening up development. Possibly they should not be blamed, because they have evidently come to the conclusion that it is better to fly to the evils that they know not of, rather than further endure those that they have.

There is a very general and widespread desire throughout the West to in some way raise the present unjust and unnecessary governmental embargo on the development of our resources located upon the public domain. The people want to in some way secure the expeditious development and maintenance and operation of our resources under suitable control and regulations in the interest of the general public. Every right-thinking person is in favor of those objects. The question is how best to secure them. The West heartily welcomes any wise regulation as well as any thorough prevention of any monopoly or waste. But for the accomplishment of that we emphatically deny that it is at all necessary or right or fair for the Government to permanently withhold our resources from private ownership, and, in addition, to tax us for the use of them. We have been reared to believe that perpetual bureaucratic control in our States is a flagrant violation of governmental procedure under our theory of government.

No matter how loudly and vigorously and repeatedly it may be proclaimed that these lands "belong to all the people," the fact remains that when those States were admitted into the Union the United States Government entered into a solemn compact with each of them that the lands within their borders should be expeditiously and in an orderly manner disposed of to settlers and be allowed to go into private ownership, to help build and maintain the State government; and Congress has no moral, legal, or constitutional right to repudiate or violate that agreement, much less to wantonly authorize the Secretary of the Interior to impose excise duties upon our development.

It is probably true that existing laws need overhauling. If so, Congress should overhaul them; and in the meantime the West would be wonderfully benefited by a more liberal construction of the existing laws. We have had government by suspicion and Federal agents too long in former years, and that is one of the main reasons why the West has not developed faster.

It is not right or necessary for Congress to put the Western States upon the same basis as the Territory of Alaska in order to assist in their development or to prevent monopoly. If there is a general demand for better laws to encourage development and prevent speculation and monopoly, let us enact them. We of the West want development more than anyone else does, and we will heartily join in the enactment of any reasonable measures that will prevent speculation and monopoly and safeguard the public interests, and prevent extortion and waste. But we deny that it is necessary to adopt a permanent leasing policy, thereby putting ourselves into a perpetual Federal tenantry class, to bring about these most desirable results.

To me these paternalistic and centralizing tendencies appear little short of national bureaucracy run mad. With some people conservation has become a mania. I hope I may be mistaken, but this policy looks to me like a bold trampling upon the principle which lies at the foundation of our republican form of government. It appears to me as a brazen denial of the "equal footing" upon which the Western States entered this Union. American citizens do not take kindly to absentee landlordism. We do not like the idea of perpetual bureaucratic rule. We prefer to be governed by the law and by our own people, instead of by rules and regulations promulgated from the city of Washington, ofttimes by people who have no personal knowledge of our local conditions. We feel that these measures forever fasten upon the people of the West and the resources of our States the bureaucratic grasp of the Federal Government. We know that bureaucracy grows on what it feeds upon. We want the laws intelligently framed, in the light of the welfare of the governed as well as the governing bodies. Let us western people develop the resources in our States under whatever reasonable restrictions you may deem proper, and we will soon become a storehouse of wealth to this Nation.

This law may, as the majority report says, "do with Government property what has been done by the foremost countries of the world," and may be entirely suitable to a monarchy, but I confess that I can not make myself believe that it will ultimately be beneficial in our form of government. I do not relish the idea of Uncle Sam going into 57 varieties of business on our money.

No one can honestly deny the statement that any general scheme for the leasing of any of the public domain practically withdraws those lands from settlement or entry by those who wish to acquire them and make them productive by individual enterprise; and any system which prevents lands or resources from going into private ownership prevents their becoming subject to State and local taxation and relieves them from their just proportion of the maintenance of the State government.

I believe all history will bear me out in the statement that it is not in the interest of the people or the welfare of the Western States to have large bodies of land and valuable resources withheld from taxation and perpetually managed and controlled at long range from the city of Washington; and every step taken by Congress in the direction of withholding from actual settlement and ownership by local citizens tends to the centralization of power and strengthening of the bureaucratic grasp of the Federal Government upon the resources and control of our States.

This bill will affect the welfare of the entire population of the western half of this Republic now and for generations to come. The question is not only as to the effect of these so-called conservation measures upon the present development of our water power, coal, oil, gas, and so forth, but the question is whether or not the welfare of this Republic, and the West in particular, will be benefited by this general program of putting all of our natural resources on a Federal leasehold-royalty basis, and thereby permanently withdraw for all time and withhold them from private ownership and prevent them from going onto the tax rolls, no matter what the object or pretext may be or how laudable the alleged purpose may be. Will the West be benefited by putting a large and permanent and perpetual tax upon our consumers and burden the development of our States for the purpose of building more reclamation projects or for any other purpose?

Mr. KAHN. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. KAHN. In the final analysis does not the gentleman think that these charges which the companies will have to pay under this bill will be footed by the ultimate consumer?

Mr. TAYLOR of Colorado. Certainly, the ultimate consumer will foot the bill. It will just add that much more tax, that much more unnecessary burden on the people.

We must not look at this merely for the present, but for the future, and the ultimate welfare of the people of those States in particular and our country in general. Is it wise to put a perpetual and increasing Federal tax upon our development and upon every fireside and citizen of our State; upon every horsepower that is hereafter generated and used by the farmers or anyone else; and upon every ton of coal hereafter mined in our State and used by any of our citizens, even if some of the money is used—which it probably will not be—for the laudable purpose of getting some more money with which to build reclamation projects? Is it a sensible or fair business policy to tax the general consuming public approximately $100 for the sake of giving back to some locality $1? Moreover, is it an equitable or sensible business policy for the Government to withhold all of this enormous wealth forever from private ownership and deprive the States of hundreds of millions of dollars of taxes, which they would derive from it, and give them back in lieu thereof, if it does, a few thousand dollars in reclamation projects?

There is no question in my mind but what this policy is and for some time will be very popular in the East and North and South. Those sections are not affected by it, and the Representatives from those portions of our country honestly believe that they see an opportunity of ultimately getting some money into the Federal Treasury by this program.

They really believe that now, but they will be greatly disappointed. They have the power and the Members in Congress to force this policy upon us of the West, and it looks as though they may possibly do so. But because they have the vote to do it does not make it right or fair, and because they have the power to force this imperialistic, crown-land, bureaucratic policy upon us can not make me welcome it or advocate it when I am profoundly convinced that it is not right and when I believe that it is a high-handed outrage upon us. Do the Members of this House feel that it is fair to authorize the present Secretary of the Interior, or any other Secretary or bureau chief or clerk, to grant 50-year leases on our resources, and to revoke them at will, cancel them, for the violation of any regulation he may make? Think of the enormous power that is being placed in the hands of one man. We have no fear of our present Secretary of the Interior. But Secretaries come and Secretaries

go, and who can tell what the conditions in our country will be 20 years or even 10 years from now?

Why this unseemly haste to reverse the entire public domain's history of our country and inflict this burden upon the next generation, and jam it through this Congress with only four hours' debate, when neither of the great political parties have ever indorsed it? It does seem to me that as far-reaching and vital a proposition as this is ought to be considered by all the national parties and the people generally before it is rushed through Congress and put upon us. All political parties in Colorado have uniformly denounced this leasing system, and neither the national Republican nor Democratic Parties have ever given one word of approval of it. The parties indorse conservation, but not leasing. In my judgment this leasing policy is contrary to the principle upon which this Republic was founded—that the Government has no right to embark in a great many kinds of business in competition with its citizens. This dual form of government in the West, which the enactment of these bills will necessarily bring about, is a bad policy, and I prophesy that it will prove one of the most gigantic failures and expensive fiascos that the Government has ever undertaken.

It will be a tremendous success in creating Federal jobs, but no net receipts from these royalties will ever get into the Federal or State treasury. History will repeat itself, and our States will never receive one dollar from this source. But the people will have to bear an enormous burden for its salaries and expenses. The cost of administration will consume it all. It is the most gigantic scheme for the increase of Federal employees and enormously augmenting the power and influence of these bureaus in Washington that this Nation has ever witnessed. The boldness of it is astounding, and the complacency with which it is received is an evil omen for our country.

It is not necessary for honest conservation to have our domestic affairs conducted from Washington. It never was the policy of this Government to engage in business to make money or to provide offices, and conservation ought to include something more exemplary than constantly enhancing the power of these bureaus. It should embrace something more worthy than creating more positions, imposing upon the people additional burdens and additional expenses upon the Federal Treasury.

BILL UNCONSTITUTIONAL.

Every State in this Union has an inherent right to develop the resources within its borders and receive the benefits of that development. That is not only a natural and necessary but a sovereign and constitutional right; and the Federal Government has no constitutional authority to deny or interfere with that right.

These bills, if passed, ought to be declared unconstitutional, because they are in bold and defiant violation and denial of the sovereignty of the Western States. While the United States has full authority to protect its proprietary interest in the public lands, it has no right to exercise local "municipal sovereignty" over those lands, or interfere with their development, or deprive the States of the proceeds of their own natural resources.

The Western States were admitted into the Union upon an equal footing with, and they were guaranteed authority equal in all respects to, that of the original States. Section 3 of Article IV of our Constitution declares that:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.

But the section does not stop there. It declares in the same sentence—

> and nothing in this Constitution shall be so construed as to prejudice any claims of the United States, or of any particular State.

I can not believe that a system of laws like these leasing bills, which deny the Western States their sovereign authority and deprives them of their control of their own development, and places beyond the reach of the authority and jurisdiction of the body politic of those States their principal resources, the vital and necessary agent of their own social and industrial progress, can be construed otherwise than as prejudicial to the claims of those particular States.

The constitutional right of the Federal Government to make rules and regulations concerning the public lands defines its proprietary right to make rules and regulations for the protection of its proprietary interest in such lands, and its right to ultimately dispose thereof, but conveys and implies no sovereign powers or power to interfere with the development of the resources of the State or to impose unequal or unusual excise charges in any such State, or assume therein any police power or regulation, or authority over any of the inhabitants thereof or the industries therein that it might not exercise under its constitutional grant of powers independently of any public lands.

The people of the West have already suffered so much at the hands of the misstyled conservationists that they are exceedingly apprehensive of the danger of this most bold and far-reaching Federal encroachment upon the public-land traditions of the Nation.

I feel that the West is in honor bound to resist to the utmost of its ability these imperialistic aggressions upon our public-land heritage, which threaten to deprive the West of its population and rightful opportunities. Many of as patriotic citizens as there are in this Republic look upon this leasing policy as the last act in the effort of the East to overthrow all the traditions of our Government affecting the disposition of the public domain and the permanent establishment of bureaucratic control over the western lands and resources, and the forcing of the Western States into subjection to the intense industrialism of the East. The Government has no moral right to hold these lands in perpetuity and lease them. The innumerable natural obstacles in the way of the development of the West are so arduous and almost insurmountable that they require the utmost heroic courage and endurance and persistence to overcome, and I appeal to Congress and to our other governmental officials not to inflict these additional and unjust burdens upon us and our children and our children's children.

The Eastern, Northern, and Southern States do not have to surrender 10 cents a ton for their coal. That coal land had no value until we went there and settled the country and made it valuable. Why should the Government get this unearned increment? This whole leasing system is wrong in every way. It is unwise, impractical, and unprofitable. It is economically and morally unfair, legally unjust, and a grievous and irritating political imposition upon the western people, because, forsooth, they are not sufficiently strong to prevent it. This policy compels us to pay an enormous tribute that will grind into our States a tyranny that will be intolerable. It is utterly unnecessary, and it can not be defended upon any grounds of equity or fair dealing.

To my mind, these leasing bills add insult to injury. They not only deprive us of our constitutional rights and at the same time impose outrageous taxes and royalties upon us, but, in addition, they deny both our honesty and capacity for self-government. These bills in their present form are nothing more nor less than a formal declaration by Congress that the Western States are incompetent and that their acts and purposes are subject to suspicion; that the Government is distrustful of the good faith of the people of the West; that Congress is of the opinion that those States, their citizens and their legislatures, are not competent to control, regulate, and develop in the public interests the resources within their borders.

I can not believe that this House will ever approve of or tolerate any such unprecedented imposition, and if it does I know the United States Senate never will.

The Federal Government might with equal justice, and with no more pointed accusation of incompetency, deprive the Western States of all their other sovereign powers. This leasing system will create on the one hand a dangerously powerful and undemocratic bureaucracy, and on the other hand a servile and brow-beaten tenantry. It will constantly emphasize the assumed superiority of Federal over local government, and progressively, during the passage of years, wear down and render subordinate the structures and effectiveness of the State governments.

These so-called conservation bills are but another large wedge which, reenforced by later measures of similar character now pending and in contemplation, will finally cleave and ultimately disintegrate practically all local authority. I earnestly appeal to and warn my colleagues that this leasing system is an insidious policy that will in the near future rise to plague you. It will accomplish nothing beneficial, but will inflict untold burdens, hardships, and aggravations upon the people, bring about the subjugation of local authority and the centralization of tremendous and unwarranted powers in the Federal Government. If these bills are killed, as I hope they will be, there will then be some fair and suitable constructive legislation enacted for the opening up and developing of the West.

I regret to be compelled to dissent from the opinion of my colleagues on the committee. But I am unable to bring myself into that peculiar quiescence of mind in which I can avoid resenting the imputations that the people of the West are incompetent to wisely administer their internal affairs.

I certainly will never even tacitly admit or believe that any of the Western States can not manage their own development

much better than any outsiders can. I will never acquiesce in the surrender of our western sovereignty. I have an abiding conviction that there are enough brains, honesty, and patriotism in the West to wisely regulate and control these public-service corporations; and if there is any question about it in any State at the present time, and until such time as suitable laws shall be enacted, the Federal Government can and should retain control over them; and probably should permanently reserve the right to exercise a supervisory regulation of them whenever the local utility commissions do not perform their duty. But in order to retain such control it is utterly unnecessary to impose a Federal tax upon our development and at the same time prevent the going into private ownership and onto the tax rolls of hundreds of millions of dollars' worth of property. I look upon it as neither right nor necessary but humiliating for Congress to put the Western States upon the same basis as the Territory of Alaska, and thereby force many of our present and a large proportion of our future population into a perpetual Federal tenantry class, under the guise of regulating our development. I repeat that this is not a question of individual or of political parties, but one of governmental policy.

I am not intentionally criticizing anybody. I am merely giving a few reasons why I personally believe that the adoption of this leasing policy is unnecessary, unwise, and unjust to the West.

I look upon it as presaging the leasing of our gold and silver, lead and zinc, and all metalliferous mines, and all our other resources, including scenery and climate.

Bureaucratic control never has been and never will be good for either the people or the property so controlled. I object to the West being exploited as a province or insular possession of the United States, with a permanent system of tenantry fastened upon us. We of the West do not relish carpet-bag government any more than you of the South did. Why are you from below the Mason-Dixon line so soon forgetful of those hardships and so ready to inflict them upon us?

What honest or fair-minded man can justify putting a Federal tax upon the water power of our nonnavigable streams, which cost the Government nothing, and putting no tax on the water power generated by the navigable streams that cost the taxpayers of the entire country hundreds of millions of dollars?

I have not the slightest fear of Secretary Lane individually being unfair. But he can not personally attend to the tens of thousands of matters that this policy will involve, and no one can prophesy what royalties may be imposed by future Secretaries or bureau chiefs or 10,000 clerks and agents. But whatever they are, and no matter how fast or how slow they are increased, they are an unnecessary tax imposed upon the consumers and an unjust burden upon our development. It is a bad economic policy without a redeeming feature. I firmly believe that when these measures are thoroughly understood the public conscience of the Nation will wake up to discover that this wholesale leasing proposition is a gigantic bureaucratic scheme whereby the West is being compelled to barter away its birthright for a mess of Federal pottage, without any assurance of ever getting the pottage—at least during this generation.

Aside from the principle of surrendering our States' constitutional rights and looking at it only from a commercial standpoint, it looks to me too much like taking $20 out of one pocket with the hope of ultimately putting 50 cents back into the other.

I can not believe that these bills will ever be enacted into law. If, however, they are, I confidently predict that history will repeat itself and that these laws will sooner or later be again indignantly repudiated and repealed. But it will be after hundreds of millions of hard-earned dollars have been wrung from the pockets of the common people and consumed in undeserved salaries, needless expenses, and useless waste of our substance. It will be after our resources have been wantonly exploited and the Federal Treasury ruthlessly looted for many years by an army of utterly unnecessary Government employees. I therefore hope that this Sixty-third Congress will avoid that unwarranted burden upon every hamlet and fireside in the West by refusing to pass these most unwise and unjust measures. [Applause.]

The decision of the Supreme Court of the State of California, filed January 20, 1914, In re Deseret Water, Oil & Irrigation Co. *v.* The State of California, so clearly and forcibly states the legal and constitutional rights of the Western States in relation to the public domain that I will quote from the decision, as follows:

> But on the general argument we think that the true interests of the State are quite the opposite of those declared in the brief of the attorney general. One familiar with the constitutional history of the United States need not be reminded of the jealousy with which, before the adoption of the present Constitution and during the sessions of the Continental Congress and the existence of the Articles of Confederation, the original States, and particularly Virginia, in their cessions of lands to the United States guarded their own rights and limited the powers of the United States over them; until in October, 1780, Congress resolved that the lands which may be ceded to the United States by any particular State shall be disposed of for the common benefit of the United States and be settled and formed into distinct republican States, which shall become members of the Federal Union, and have the same rights to sovereignty, freedom, and independence as the other States.
>
> The fundamental proposition assented to by the United States upon which these cessions were based was that the public lands within new States, existing or to be created, should be disposed of, sold, for the benefit of the United States, for the reason that the States believed it would be injurious to their sovereign rights that any large areas of land within their boundaries should be permanently beyond their taxing power and control and within the sovereign jurisdiction of another power. Further, it is to be remembered, that all new States were to be admitted to the Union upon terms of exact equality with all other States, and the act of admission of the State of California declared that "the State of California shall be one and is hereby declared to be one of the United States of America and admitted into the Union on an equal footing with the original States in all respects whatever. The people of said State shall never interfere with the primary disposal of the public lands within its limits." In the case of Pollard's Lessee *v.* Hagan (3 How., 212) the Supreme Court of the United States with great learning discusses these contracts between the several States and the United States and the meaning and force of the constitutional provisions thereafter passed. It is there declared as to the Government lands within such States that the United States never held any municipal sovereignty, jurisdiction, or right of soil in and to their territory, or in and to the territory of any of the new States, excepting the right over them of executing the trust, which trust was to provide for their disposition by cessions or sale. It is further held that every new State comes into the Union upon terms of equality with all other States, and such an equality can not exist if in any one State it exercises sovereign powers over the lands, while in another it has disposed of such lands, or in the execution of its trust must dispose of them. In Coyle *v.* Smith (221 U. S., 559) these doctrines are reasserted and affirmed, and the power of the United States to pass any law which will create inequality between the States has repeatedly by the Supreme Court of the United States itself been declared to be void and of no effect. (New Orleans *v.* De Armas, 9 Pet., 224; Groves *v.* Slaughter, 15 Pet., 449; Illinois Central R. R. *v.* Illinois, 146 U. S., 387; United States *v.* McBratney, 104 U. S., 621; Hardin *v.* Shedd, 190 U. S., 508; United States *v.* Winans, 198 U. S., 371.)
>
> We are, of course, not unmindful of the decisions of the Supreme Court of the United States, such as Kansas *v.* Colorado (206 U. S., 89), and Light *v.* United States (220 U. S., 523), which declare that within the governmental trust to "dispose" of its public lands vast areas of them within existing States may be taken from the dominion and control of the State and placed in perpetual reserve. Whether inconsistency and hostility exists between this latter line of decisions and that headed by Pollard's Lessee *v.* Hagan, the Supreme Court itself in due time will declare. But here we desire to point out that while the State of California was admitted as a sovereign State of the Union upon equal terms with all the other States, and while it has been judicially declared that an essential part of that equality is the disposition of the public lands within the State, to the end that the revenues by taxation therefrom and the control over them may be vested in the State, we have in California a withdrawal by the United States from sale and placing in reserves of one-third of the area of the whole State—an area greater than the combined territory of New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New Jersey, and Maryland. Not this alone, but we have in these withdrawals a refusal upon the part of the United States to yield to the State of California control over its natural sources of wealth. Its forests, its mines, its oil-bearing lands, its power sites and possibilities, have been withheld by the United States, which proposes to exercise over them, and is exercising over them, the "municipal sovereignty" which the Supreme Court of the United States in Pollard's Lessee *v.* Hagan declared not to exist. If at the time of the proposed cession of its lands by Virginia, Congress had declared its intent to be that which it has actually executed in the State of California, little doubt can be entertained as to the answer which Virginia would have made. It is, indeed, a departure from the accepted construction of these constitutional provisions to have it said that the United States may, as here, withdraw from State use one-third of the area of a sovereign State, forever deny to the State the sovereign power of taxation and control over these lands, and develop and exploit them under its own rules and regulations for the enrichment of its own treasury. And so, coming to the specific section of land here under consideration, if it has possibilities of water storage and power development, certainly it is to the interest of the State that these potentialities should be developed in the interest of its citizens and the revenue derived therefrom by rates, tolls, and taxation go into its own treasury, rather than to witness them lying undeveloped and unimproved, or if improved at all, improved for the enrichment of the National Treasury. This is meant to convey no criticism of true conservation of natural resources. But it is a simple declaration of a manifest fact that, in a State such as California, a large part of whose territory and whose natural resources are taken away from State control, the denial of the right of taxation to such lands, the erection of an imperium in imperio, are developments of governmental ideas not dreamed of at the time of the adoption of the Constitution, nor at the time of the decision of Pollard's Lessee *v.* Hagan. And in the State of California the cause of conservation would not suffer if intrusted to the State itself.

In order that there may be no misunderstanding as to the individual position of the State of Colorado upon this general subject, nor any question as to whether or not I correctly reflect the wishes of my State, I will insert a copy of a joint memorial to President Woodrow Wilson, unanimously adopted by the present Colorado Legislature, the Nineteenth General Assembly, at its regular session—page 655, Session Laws, 1913—which, in my judgment, is not only a fair statement of the rights of the West, but one of the best and most statesman-like documents

ever presented to Congress, and I earnestly urge every one of my colleagues in the House to carefully read it, as follows:

House joint memorial 5.

To Hon. Woodrow Wilson, President United States of America, and the Congress of the United States:

Your memorialist the General Assembly of the State of Colorado, respectfully represent that under the present Federal policy of control of the public domain the following conditions obtain:

1. The people of Colorado are in favor of conservation in the meaning of prevention of waste and monopoly, but are unalterably opposed to it in the definition of preserving our lands and resources in their present state for future generations.

We agree that these natural resources belong to all the people, but this ownership is not now different from what it always has been—namely, subject to the right of the citizen to acquire the same under liberal laws to the extent necessary to satisfactory settlement and the building of permanent homes.

2. It has been charged that the Western States have failed in the past to do their duty in the conservation of these resources, but those who make these charges utterly fail to consider that any unlawful acquisition or waste was committed under Federal laws and on public lands, and that the States, having no control, were powerless to prevent it. They also fail to recognize the fact that the amount of lands unlawfully acquired was a mere trifle compared with that lawfully acquired by bona fide settlers and others.

3. The older States have had, and still have, the benefits arising from private acquisition of all the public lands within their boundaries, receiving revenue therefrom through taxation and otherwise, and it is therefore a great injustice that they should now seek to impose upon the Western States obstructions and burdens with which they themselves did not have to contend.

4. We deny that it is right or advisable for the Federal Government to retain the title to and lease the public lands for any purpose, as the history of the country shows that in 1807 Congress authorized the War Department to lease the lead mines in the territory afterwards embraced in the States of Missouri, Indiana, Illinois, Wisconsin, and Iowa, reserving to the United States a royalty of one-sixth of the product.

This system was vigorously opposed by the residents of the region involved from the very beginning, and after a few years' trial the Missouri Legislature and the governor of Illinois protested against it. Presidents Polk and Fillmore urged its abandonment. The Secretary of War condemned it, saying that the benefit to the Government bore "no just proportion to the injury done to the country—first, by retarding the settlement of the country, and, second, by the demoralizing influence of the system."

Year after year congressional Committees on Public Lands reported against it. One of these reports concluded as follows:

"When the United States accepted the cession of the Northwestern Territory the acceptance was on the express condition and under a pledge to form it into distinct republican States and to admit them as members of the Federal Union, having the same rights of freedom, sovereignty, and independence as the other States. This pledge your committee believes would not be redeemed by merely dividing the surface into States and giving them names, but it includes a pledge to sell the lands, so that they may be settled and thus form States. No other mode of disposing of them can be regarded as a compliance with that pledge."

5. For nearly 40 years this controversy was waged with increasing intensity, until 1846, when an act was passed directing the sale of these lands.

This condemned and discarded policy is now sought to be resurrected, and in pursuance thereof there have been withdrawn forest, coal, oil, phosphate, and power-site lands, aggregating in Colorado over 21,000,000 acres, equal to 33 per cent of the total area of the State, together with similar amounts in other Western States, so that in all the area thus withdrawn is greater than the combined area of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Pennsylvania, both Virginias, Ohio, Kentucky, Indiana, and Illinois, and thus nearly 300,000,000 acres are now, and have been for several years, practically out of reach of individual enterprise or taxation for the support of State government. This obstructive policy is a departure from the policy of the past 50 years and in violation of the rights of these States as provided in their enabling acts admitting them into the Union, their constitutions, and the fundamental principles on which the Union of the States is predicated.

The idea that the leasing of the forests and other public lands for grazing purposes to stockmen, reserving to the settler and miner a right to enter them, will give the latter adequate protection is a fallacy, for the reason that it is obvious that such entries will necessarily interfere with the proper handling of stock. Where a stockman has 1,000 acres or more under such a lease and a homesteader should undertake to enter 160 or 320 acres of the best of it, it is a certainty that the stockman would in every way not positively unlawful discourage the settler, unless we credit the stockman with less than ordinary sense of self-protection. And it is equally certain that he would succeed in preventing the entry, even if he had to buy the settler off.

The inevitable result of such leases will be to substantially end homesteading and mining on the public lands.

6. We assert that the States are vested with the right to control the waters within their respective borders—subject only to the right of the Federal Government to protect navigation on those streams that are navigable—to dispose of them to those who will use them for beneficial purposes, and that all returns therefrom, direct or indirect, justly belong to the States and not to the Federal Government.

7. Reclamation of arid lands when undertaken by the United States Government should in all cases recognize the rights of the States to control the waters within their borders, and should also recognize the equitable rights of its water users and other competitive projects and those of private enterprises.

These projects and enterprises should not be made by officers of the Reclamation Service an excuse for the refusal to approve of rights of way and occupancy of lands under private irrigation projects; such delays seriously obstruct private enterprises and the development and improvement of lands belonging to the States, and we ask that any such refusals be revoked.

We further ask that the Reclamation Service take immediate steps looking toward the early completion of all projects now under way within this State, in order that early settlement under these projects may take place.

8. The rapid descent and general character of mountain streams gives such endless opportunities for water plants that any monopoly of the same is physically impossible. Indeed, the idea is growing rapidly that the small power plant is the coming one. When water has served its purpose for one power plant it continues its descent. It is not consumed nor does it vanish. Its volume is as great after as before, and therefore but a little lower down in the mountain another power plant may be constructed, and so on, while the stream shall last.

These delays have seriously obstructed not only these private projects, but have also interferred with the irrigation and improvement of several hundred thousand acres of land belonging to the State of Colorado, and granted under the laws of the United States for the purpose of improvement and sale by the State.

We ask that these unlawful refusals be promptly revoked and further delays forbidden.

9. We recognize that some good has been accomplished by the Forest Service, yet at the same time its cost has been many times greater than its benefits; it has materially hindered the settlement and development of the country, chiefly because of the hard and fast rules made at Washington by chiefs unfamiliar with actual conditions, and administered by subordinates, many of whom are equally unfamiliar with such conditions.

As to the scientific forestry promised, it is only necessary to refer to the reports of the Forester to show that his management in many respects is most unscientific. His reports show that billions of feet of timber in the natural forests are overripe, decaying, and decayed, and are an actual fire menace to the remainder, and ought to be cut. Yet the high prices he asks and the rules and regulations enforced are greatly restricting sales and cutting.

We urge that a committee, congressional or otherwise, be immediately appointed to visit Colorado and investigate the conditions referred to above and report on the same. It seems necessary to have the committee pursue its investigation on the ground, as few of those who suffer by the methods in force would be able to advance the expenses of a trip to Washington. Besides, an actual view of many of these things will disclose features which it would be difficult to make clear by testimony.

10. An unjust discrimination is made between grazing and other agricultural lands. The major portion of this State is composed of what is termed "grazing lands," and grass is the greatest agricultural crop known and the most indispensable. All lands at present chiefly valuable for grazing should be as freely open to entry as are farm lands, but in sufficient quantities to support families. More than three-fourths of our present cultivated area was originally located as pasture, and it was largely through this privilege that our present cultivated area was developed.

There is hardly an acre of grazing land on the plains that will not ultimately become agricultural lands with the development of storage of water and the economical use thereof.

11. Nearly all of our metalliferous lands have been included in the forest reserves, since which time not a single important mining camp has been opened. The unwarranted interference by the Forest Service is largely responsible for the falling off of millions of dollars in the annual metal output. The man who is willing to put his labor and money into the development of a mining claim is the person best fitted to classify the land and should be permitted to acquire it.

We venture the assurance that if 40 years ago the forest reserves had been established, neither Leadville nor Cripple Creek nor a score of other mining camps would have been discovered or developed.

Although our lands are of great variety, they are open to entry for but few purposes and in unsuitable quantities. For instance, a piece of land can not be taken merely for a home.

12. In territorial days Congress gave us the water of our natural streams and confirmed that right in the acceptance of our State constitution. Certain Federal bureaus are trying to take away that right by denying rights of way over the public domain.

The contention of Federal authority, as in the case of the Engle Dam, for the first storage of water at the lower end of the stream, instead of near the source of supply, would prevent the repeated use of water for power and irrigation upstream, would uselessly deprive large areas of development, and would therefore be contrary to the principle of "the best use" as demonstrated by the experience of more than half a century.

The diversion and use of water when streams are high equalize the flow, furnish a better supply of water during the dry season, and, by lessening floods, save lives and property on the rivers below.

Special agents are permitted to protest against the validity of entries without any knowledge of facts relating thereto. They should be required to make their objections at the time of final proof, that the entryman might face his accusers.

13. The courts should be opened to land disputes, that citizens may be afforded an opportunity to enforce their rights, instead of the system now in vogue of determination through star-chamber proceedings by administrative officers.

14. Under the express terms of the enabling act Colorado was admitted to the Union on an equal footing in all respects whatsoever with the original States. To be on an equal footing, we must have the power to tax the land and other property within the State, for without that power we can not maintain State and local governments and institutions. The present policy of the Federal Government is to place our lands and resources on a revenue basis, paying taxes in the form of royalties into the Federal Treasury, thereby seriously interfering with the means of supporting our needy growing institutions. The effect of the present policy is to permit local taxation only upon farm and city and town lands now privately owned. This might be less objectionable in Iowa or Illinois, where practically all of the land is tillable. More than half of the area of Colorado is not tillable under any known method, but is composed of mineral, grazing, and timbered areas, which take the place of farm lands, and which are just as expensive to govern, if not more so, than are the farm lands. The policy, therefore, which withdraws these from taxation is a serious handicap to the State.

While our resources are of great variety, they are not naturally ready for use. On the average, there has been a dollar in expense for every dollar in precious metals taken from the mountains, and the value of our lands is measured by the labor required for their irrigation and development. Without the value, the presence, and industry our people have added to them there is not a dollar's worth of value in any of our natural resources. Every dollar, therefore, charged in the form of royalty on the products of these resources is a tax on human toil.

We can not hope to secure the best settlement of our lands nor development of our resources upon a tenantry basis. The man who is permitted to lease lands cheaply for grazing will try to keep them for pasture.

15. There is but one-third of our area on the tax rolls, with extraordinary educational requirements to equip our people to meet mining, industrial, irrigation, and other agricultural development. We must, therefore, increase the taxable area to include all the lands if every portion of the State shall bear its just share of this burden.

A large part of our territory is included in the Louisiana Purchase, in the treaty ratifying which it is decreed:

"The inhabitants of the ceded territory shall be incorporated in the Union of the United States and admitted, as soon as possible, according to the principles of the Federal Constitution, to the enjoyment of all the rights, advantages, and immunities of citizens of the United States."

If this provision were complied with the present bureaucratic government over large areas of our State would be impossible. Is there any reason why people who must live in and do business with the said reservations should be deprived of the same rights and privileges enjoyed by the citizens of the older States, and what reason is there to suppose that forests can not be grown and protected, or monopolies prevented under the republican form of government?

The incentive of ownership is necessary to secure the best development of our mineral territory, and we can not expect the best citizenship unless people are permitted to own their own homes, no matter in what business they engage.

The private-owned land in the State is scattered promiscuously amongst the Federal-owned land, and there can be no hope of harmonious action or good feeling through the intermingled double jurisdiction over our territory.

The Government proposes as a landlord to go into almost every kind of business within the State on untaxed property in competition with private-owned and taxed property. The public business does not need to pay expenses, but the owner of the private property must pay taxes to make up the loss of his Federal competitor. The Federal Government engaging in business as a proprietor must necessarily occupy a contractual relation with the citizen, under which the Government may enforce its contract against the citizen, whereas the citizen may not enforce his contract against the Government.

Under the present administration of the forest reserves the Government acknowledges the moral right of the State to tax the property by returning to the State 25 per cent of the proceeds from sales, rentals, and special privileges.

It assumes the right, however, to dictate the disposition of this rebate by decreeing that it shall go to the support of roads and schools, two popular purposes, but ignoring the necessity of the State to protect in the courts the very lives of those living upon Federal-owned property and the necessity for the maintenance of educational, charitable, and penal institutions by the State.

16. The continued withdrawal of our lands and resources from entry and placing them upon a revenue basis to pay royalties into the Federal Treasury means their control by Congress, and that Texas, which never had any public lands, would, in the House of Representatives, have four times the legislative power over our territory that we ourselves could exert; and that New York, which has no public domain, would have ten times the legislative power over our territory that we ourselves possess, and that, too, without any adequate knowledge of local conditions and necessities.

The double jurisdiction over the territory of the State has led to strong opposition to Federal officials, against whose orders and rules there is no recourse in the courts, and employees of the Federal bureaus, defending their position, have been constantly doing missionary work in behalf of the general principle of Federal control of our lands and resources.

The Forest Service, for instance, through its numerous employees, has been able to enlist the eastern press in praise of its work and to create a sentiment against the West.

The Federal Constitution declares: "The United States shall guarantee to each State in the Union a republican form of government"; not a republican form of government over part of the State, but over it all. Certainly no one can contend that a republican form of government exists under the bureaucratic control already in force over a large part of our territory and sought to be enforced over two-thirds of our area, with its arbitrary rules and regulations enforceable at the pleasure of the bureau with discretionary power, with its natural antagonism to State laws and State control, with a long list of special privileges to enlist support, and with all the evils therefore of a system of favoritism.

"Republicanism and bureaucracy are incompatible existence." (Cent. Encyclopedia.)

Our laws and customs are built upon experience and our people are better acquainted with local conditions and necessities and are more interested in building the State aright than are the people of the East. If there is fear of monopolization, Congress, in the act of cession, could provide effective means for reversion of title to the State whenever monopoly is attempted. The administration of our public lands and resources should be under the jurisdiction of the Secretaries of the Interior and Agriculture, familiar from experience with the local situation, in order that it may be for the settlement of our lands, the development of our institution, and the betterment of social conditions.

17. We, therefore, earnestly request under existing or more appropriate laws such an administration as will secure the settlement of our public lands and the development of our resources, placing them upon the tax rolls with effective provisions against monopolization and waste. We ask for no advantage or privilege not enjoyed by the older States, but feel we have a right to insist that we be placed on an equal footing in all respects whatsoever with the original States to own and use our lands and resources to build our State and support its government and institutions.

O. C. SKINNER,
Speaker House of Representatives.

Attest:

STEPHEN R. FITZGERALD,
President of the Senate.
ELIAS M. AMMONS,
Governor State of Colorado.

Approved, March 8, 1913, at 1.49 p. m.

If Congress and the Interior and Agriculture Departments would carry out the sentiment of the governors' resolutions and of that memorial to the President and follow the present laws, the West would grow by leaps and bounds, and the entire Nation would be benefited beyond all possibility of calculation.

The last national Democratic platform, adopted at Baltimore, contained the following provisions:

We believe in the conservation and the development for the use of the people of the natural resources of the country. Our forests, our sources of water supply, our arable and our mineral lands, our navigable streams, and all the other material resources with which our country has been so lavishly endowed constitute the foundation of our national wealth. Such additional legislation as may be necessary to prevent their being wasted or absorbed by special or privileged interests should be enacted and the policy of their conservation should be rigidly adhered to.

The public domain should be administered and disposed of with due regard to the general welfare. Reservations should be limited to the purposes which they purport to serve, and not extended to include land wholly unsuited therefor. The unnecessary withdrawal from sale and settlement of enormous tracts of public land upon which tree growth never existed and can not be promoted tends only to retard development, create discontent, and bring reproach upon the policy of conservation.

The public-land laws should be administered in a spirit of the broadest liberality toward the settler exhibiting a bona fide purpose to comply therewith to the end that the invitation of this Government to the landless should be as attractive as possible, and the plain provisions of the forest-reserve act permitting homestead entries to be made within the national forest should not be nullified by administration regulations which amount to a withdrawal of great areas of the same from settlement.

Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations, or interests.

We rejoice in the inheritance of mineral resources unequaled in extent, variety, or value, and in the development of a mining industry unequaled in its magnitude and importance. We honor the men who, in their hazardous toil underground, daily risk their lives in extracting and preparing for our use the products of the mine, so essential to the industries, the commerce, and the comfort of the people of this country. And we pledge ourselves to the extension of the work of the Bureau of Mines in every way appropriate for national legislation with a view of safeguarding the lives of miners, lessening the waste of essential resources, and promoting the economic development of mining, which, along with agriculture, must in the future, even more than in the past, serve as the very foundation of our national prosperity and welfare and our international commerce.

The last Republican national platform contained the following provisions:

CONSERVATION POLICY.

We rejoice in the success of the distinctive Republican policy of the conservation of our national resources for their use by the people without waste and without monopoly. We pledge ourselves to a continuance of such a policy.

We favor such fair and reasonable rules and regulations as will not discourage or interfere with actual bona fide home seekers, prospectors, and miners in the acquisition of public lands under existing laws.

RECLAMATION OF LANDS.

We favor the continuance of the policy of the Government with regard to the reclamation of arid lands; and for the encouragement of the speedy settlement and improvement of such lands we favor an amendment to the law that will reasonably extend the time within which the cost of any reclamation project may be repaid by the landowners under it.

Neither of the two great political parties have ever in the history of this Government adopted or promulgated this leasing policy. The National Progressive Party during the last campaign adopted a plank in its platform advocating the retention and control of these resources by the Federal Government. They did not advocate or say anything about the "leasing" of them for Federal revenue or otherwise, but merely declared for the "retention" of them by the Government to prevent monopoly and encourage legitimate development. But the State platform of that party in Colorado did not contain the slightest intimation of any desire or intention of the members of that party to advocate any leasing policy of any of these resources. I think I am safe in saying that no political party in any Western State has ever advocated this universal and perpetual Federal bureau leasing policy, and I predict that any party that does will fail to elect its ticket.

The Democratic State platform in Colorado in the year 1908, upon which the entire Democratic ticket was elected, contained the following plank:

Seventh. Public lands: We commend forest reserves upon real forest areas, but condemn the present arbitrary and unjust administration of the same and demand that the administration of the reserves be placed by Federal law under effective State and local control.

We demand the immediate exclusion of agricultural and unforested areas from the reserves; the dismissal of the army of useless officeholders in our midst, maintained at the public expense of the people of the West for the upbuilding of a gigantic political machine at Washington; the abolition of unjust grazing taxes; the repeal of a system of timber sales which puts the lumber market in the hands of a few and by which the price of lumber has been doubled to the consumers.

We demand the repeal of all laws endowing the Forestry Department with authority to decree and establish rules and regulations concerning the administration of the forest reserves and declare all such matters to be legislative in their character, which should be covered by congressional enactment.

We are unalterably opposed to the pronounced purpose of the Republican administration to lease the balance of the public domain, thereby withdrawing the land from settlement. The people of the West are entitled to the use of the natural resources of their localities with which to build their States. They ask to be put on an equal foot-

ing with the people of the East in this regard, and will be satisfied with nothing less.

The Democratic State platform in Colorado in the year 1910, upon which practically the entire State ticket and all three Congressmen were elected, contained the following plank:

We reassert our position upon the public-land question as adopted at Pueblo in 1908, and declare the right of the State to control of the resources within its boundaries; we are in sympathy with the policy of considering the natural resources of the Nation and the State in a manner which will protect the right of future generations, but we are unalterably opposed to the bureaucratic, arbitrary regulations which work hardship on the homesteaders and the miners and retard the development of the State.

During the last campaign of the fall of 1912 the Democratic Party in Colorado, after very careful and exhaustive consideration, adopted one of the most comprehensive platforms that our party has ever had in that State. All of the four members of this House and both of the Senators from Colorado were elected upon that platform. Among the declarations of principles for which we stood were the following:

GIVE PUBLIC LANDS FOR HIGHWAYS.

We favor the ceding by Congress to the State of public lands for highway purposes, the proceeds thereof to be used by the highway commission for the construction and maintenance of public thoroughfares exclusively.

STATE SHOULD CONTROL PUBLIC LAND.

In conformity with the joint resolution unanimously adopted by the eighteenth general assembly, and in the language thereof, "We most earnestly request that all public lands within the boundaries of Colorado be turned over to the State under terms just and fair to both State and Nation, and with such restrictions as will effectually prevent monopoly, to the end that all territory shall be under one jurisdiction and uniform law; that we shall have the same rights enjoyed by the older States of our Union; that all land capable of agricultural development shall be freely open to homestead entry; that lands suitable for summer homes shall be sold in small tracts, and under proper restrictions, for that purpose; that prospecting may be encouraged and greater mining development secured; that rights of way shall be under the control of the State, avoiding vexatious and often prohibitive delays in construction; that water power may be had and manufacturing encouraged; that our lands may be made revenue producing, and that such revenue from rentals, royalties, and sales may be used for the construction of public highways and the completion of reclamation projects; that greater settlement and production may make our rural communities more populous, improve social conditions, help the railways to give better service and make needed extensions; and that the blessings of local self-government, including the right to impose taxes upon all property alike and the disposal of such revenues as local needs demand, shall be guaranteed to all our people."

LAND QUESTION DECLARED ONE FOR COURTS.

The jurisdiction of the courts should be extended to all contests and controversies arising over homestead, desert, and other land filings and entries, including protests and objections by the Government thereto, and heard and determined as now provided in adverse cases arising under the mining laws of the United States.

We denounce the policy of the Republican administration which, having retarded our development, now proposes to withdraw all the remaining agricultural, grazing, and mineral public lands from all forms of entry, with the expressed determination of imposing upon the West a permanent bureaucratic rule and Federal leasing system of all the Government resources within our borders, and thereby disastrously retarding the development of our State and depriving our Commonwealth of its just and constitutional rights.

The Republican Party in Colorado has denounced this proposed leasing policy almost as bitterly as the Democrats have.

On July 26, 1866, for the purpose of inducing immigration to and settlement of the West, and for the protection of property rights therein, Congress passed the following act:

Whenever, by priority of possession, rights to the use of water for mining, agricultural, manufacturing, or other purposes have vested and accrued, and the same are recognized and acknowledged by the local customs, laws, and the decisions of courts, the possessors and owners of such vested rights shall be maintained and protected in the same; and the right of way for the construction of ditches and canals for the purposes herein specified is acknowledged and confirmed; but whenever any person, in the construction of any ditch or canal, injures or damages the possession of any settler on the public domain, the party committing such injury or damage shall be liable to the party injured for such injury or damage. (Rev. Stat., 2339.)

For the purpose of further guaranteeing and protecting the western settlers in their property rights and rights of way for their ditches and water rights, on July 9, 1870, Congress passed the following act:

All patents granted or preemptions or homesteads allowed shall be subject to any vested and accrued water rights, or rights to ditches and reservoirs used in connection with such water rights as may have been acquired under or recognized by the preceding section. (Rev. Stat., 2340.)

Neither one of those acts have ever been repealed from that day to this. They were the foundation upon which many billions of dollars worth of property was made by many years of toil and privation, and upon which that property has securely rested for nearly a half a century.

On the 3d day of March, 1875, Congress passed the enabling act permitting the inhabitants of the Territory of Colorado to frame and submit its constitution for admission to the Union. Section 1 of the enabling act reads as follows:

That the inhabitants of the Territory of Colorado included in the boundaries hereinafter designated be, and they are hereby, authorized to form for themselves, out of said Territory, a State government, with the name of the State of Colorado, which State, when formed, shall be admitted into the Union upon an equal footing with the original States in all respect whatsoever, as hereinafter provided.

In pursuance of that enabling act the inhabitants of the Territory of Colorado adopted a constitution on the 14th of March, 1876, and submitted it. Paragraphs 5 and 6 of article 16 of that constitution which was submitted to this Government are as follows:

Water public property.—The water of every natural stream not heretofore appropriated within the State of Colorado is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the State, subject to appropriation as hereinafter provided.

Right of appropriation.—The right to divert unappropriated waters of any natural stream for beneficial uses shall never be denied. Priority of appropriation shall give the better right as between those using the water for the same purpose, but when the waters of any natural stream are not sufficient for the service of all those desiring the use of the same, those using the water for domestic purposes shall have the preference over those claiming for any other purpose, and those using the water for agricultural purposes shall have the preference over those using the same for manufacturing purposes.

That constitution, with those provisions therein, was formally approved, and President Grant on August 1, 1876, signed and issued the proclamation making Colorado the centennial State of this Union. That enabling act and those two provisions within our constitution were an absolutely binding and forever inviolate contract between this Government and the State of Colorado. Probably one-half of the property value of our entire State has been built and based upon those provisions. You of the East have little conception of what water rights mean to us of the West.

The act of June 4, 1897, establishing the forest reserves, also contained the following provision:

The jurisdiction, both civil and criminal, over persons within such reservations shall not be affected or changed by reason of the existence of such reservations, except so far as the punishment of offenses against the United States therein is concerned, the intent and meaning of this provision being that the State wherein any such reservation is situated shall not, by reason of the establishment thereof, lose its jurisdiction nor the inhabitants thereof their rights and privileges as citizens, or be absolved from their duties as citizens of the State.

The Supreme Court of the United States, in the case of Kansas *v.* Colorado (206 U. S., 46–118), and all of the other decisions of that court upon the subject during the past 40 years, have emphatically declared:

That the Government of the United States is one of enumerated powers; that it has no inherent powers of sovereignty; that the enumeration of the powers granted is to be found in the Constitution of the United States, and in that alone; that all powers not granted are reserved to the people. While Congress has general legislative jurisdiction over the Territories, and may control the flow of waters in their streams, it has no power to control a like flow within the limits of a State, except to preserve or improve the navigability of the stream; that the full control over those waters is vested in the State.

We have no navigable streams within the State of Colorado. The doctrine of riparian rights never did prevail in our country. All the waters of our streams became the property of the people when our State was admitted into the Union, and from the 1st day of August, 1876, up to this hour neither this Government nor Congress has ever had any right whatever to interfere with or exercise any jurisdiction over one drop of water within the boundaries of Colorado. Our State was admitted upon an absolute equality with every other State in this Union. Congress has no right to interfere with our property rights or our local self-government any more than it would with any other State; and I can not resist feeling that such an effort would not be attempted against the older States.

Section 8 of the reclamation act, approved June 17, 1902 (32 Stat., 380), expressly provides that nothing therein shall be construed as affecting, or intending to affect, or in any way interfering with the laws of any State or Territory relating to the control, appropriation, use, or distribution of waters used in irrigation, or any vested right acquired thereunder. So that all of this nonsense about charging for the conservation of our waters is the most brazen, insolent, and infamous attempt to violate our constitutional rights that has ever been undertaken in the history of this Government.

I am confident that this bill is intended to, or at least that the eastern extreme conservationists hope that this law will, in effect, repeal or supersede and virtually nullify all of those laws and decisions and constitutional provisions.

Aside from the question of the violation of the inherent rights of the Western States I look upon this class of legislation as unwise for many other reasons, and contrary to the general welfare of the country. And, as I have said, I believe it will be practically a failure; not entirely so, but it will surely disappoint the expectations of those who are advocating it.

I believe it is thoroughly wrong to place such tremendous unlimited discretionary power in the hands of any one individual. It is not compatible with our theory of government that Congress should delegate to a department head the supreme power of taxation and the right to suspend the operation of the law for any desired period or for any desired purpose or to any objectionable applicant.

Investment of large sums of money in any enterprise will not be made excepting upon the stability, certainty, and character of the law. People will not invest large sums of money upon the probability of the fairness of any executive official. This act of Congress does not give or grant any rights to any citizen or corporation. It is an unreserved and unqualified delegation of frightfully unlimited discretionary power to the Secretary of the Interior to give or withhold these rights; and if he decides to give them, to designate the terms upon which he will grant them. He is not only given the taxing power but is given the discretion to give or refuse a lease, and to either fix the terms so high that they will be prohibitive or so low that they will amount to a gratuitous donation; and in these respects, as well as many others, it is believed that if this bill is enacted it will be unconstitutional. (See Field *v.* Clark, 143 U. S., 700.)

The present law authorizing a revokable permit for the development of water power is now conceded by everybody to be utterly unworkable and foolish. I prophesy that this present law, with the unlimited forfeiture condition, will practically be equally as indefinite and unsatisfactory. People will not invest capital where their entire property rights may at any time be swept aside at the whim of some executive official, with no appeal to any court or redress of any kind.

I have received a great many protests, petitions, and resolutions against these leasing bills from the business organizations, county commissioners, and citizens generally of our State. I will not give them, because my statements herein voice the substance of their objections; but I will insert, merely as a sample, one from the Commercial Club of Rio Blanco County, as a fair illustration of the way this theoretical conservation affects and will affect the development of my State.

At a regular meeting of the Rio Blanco County Commercial Club, held at Meeker, Rio Blanco County, Colo., on the 6th day of April, 1914, the following resolutions were adopted, to wit:

Whereas there are now pending in Congress certain bills for the leasing of the public lands; and

Whereas it appears from the CONGRESSIONAL RECORD that many able and fair-minded Representatives and Senators have very limited knowledge of western conditions:

Resolved, That a plain statement of facts and conditions in this county that have a bearing on the leasing question be made, and that we make earnest protest against the leasing of any class of lands whatever and in any form, the statement of facts and conditions in this county being as follows:

This county has an area of 2,067,000 acres, of which 312,000 acres are withdrawn in the White River National Forest, about 85,000 acres are withdrawn as oil lands, 200,000 acres of coal lands have been practically withdrawn by the action of the Interior Department in placing thereon values several times as great as patented coal lands adjoining can be bought for; about 40,000 acres of carnotite lands are now sought to be withdrawn by Congress, and subdivisions of lands that lie here and there along White River for a length of more than 100 miles intersecting or jutting into the patented lands have been withdrawn for power sites, these sites being useless for power sites or purposes other than to hold narrow parcels of land over which the ditch or pipe-line would have to be carried, presumably so that the Government could control the building of such power plants.

The cost of maintaining our county government is great because by the shortest public roads it is 80 miles to the farthest western settlement in this county from Meeker, the county seat, and more than 100 miles from Meeker to the most easterly settlement.

To support this county we have the following patented lands: Irrigated lands, 21,359 acres; grazing lands, 91,792 acres; natural hay lands, 2,018 acres; and coal lands, 4,149 acres. Our nearest railroad is 45 miles distant.

The people of this county, including many members of this commercial club, were the real initiators of the conservation movement, having in 1889 petitioned the President through the medium of Thomas A. Carter, Commissioner of the General Land Office, who indorsed our petition, to set aside the forests of this county for a park or forest reserve. This was the first national forest created under the act of 1891, if we except a small addition to the Wyoming National Park. Our petition described the bounds of the forest, but the Interior Department, on the advice of men who were practically strangers to this county, saw fit to extend the boundaries to include more than 100,000 acres of good farm lands, about one-half of that increase being in this county, including one tract of 20,000 acres on which there was nothing but sagebrush and which to-day produces more revenue for this county than the 312,000 acres of forest-reserve lands. It took six years of struggle to get this tract eliminated. One agent sent here by the Interior Department in 1893 or 1894 informed us that it should be retained within the forest lands as a winter feeding ground for deer. The same argument was advanced by Forester Pinchot at a later time, when he sent an inspector from Washington, D. C., to report on the advisability of adding to the forest the lands south of White River from the forest to the Utah line, a distance of 70 miles, all of the land being nontimber lands. When the agent reported that it was not forest land Mr. Pinchot asked for a second report by a local officer.

We would call the attention of our Congressmen and Senators to the fact that a system of espionage has for years been maintained by the Forest Service, acting under instructions from Washington, we are informed; this espionage is kept more especially over the actions of those who have filed on land which has been eliminated from the reserve, and which land is no longer under the jurisdiction of the Forest Service. One duty of the rangers in winter has been to count the horses and cattle that are pastured and fed on homesteads, even on patented land. Most homesteaders are poor men, but a poor man has little chance to secure a homestead within the reserve. Applications are usually held up for about one year before an applicant can file. He is given a permit to use the land until such time as the department acts upon his application. Even if he settles at once under the permit he get no credit for residence that year, the Land Office requiring three years' residence from date of filing on the land before the United States land office at Glenwood Springs, Colo. The best of the forest lands are being rapidly leased to the wealthy cattlemen, and the better class of homeseekers will not try to get land inside an inclosure, even if permitted by law to do so. Ordinary farmers can not afford to fence pastures for their small herds, so in time all the reserve, or all the best portion, will be controlled by the big cattle outfits.

Leasing of coal, radium, and grazing lands are more to be avoided than leases on the forest reserves, yet we call attention to wrongs suffered through having these lands controlled from Washington, where the best informed know but little of the actual situation.

All leases help the rich man and keep the poor man down.

We well remember when a convention was called to outline a lease law. All the parties invited to attend this convention from the West were members of an association of cattle barons, who formed that association for the purpose of getting the Government to lease the public range. The shibboleth of each member of the convention was, "Let the poor man have first choice." It was Hobson's choice, though. They gave him a chance to take 160 acres adjoining his home, the land along the foothills being usually worthless for grazing; but the highlands that produce luxuriant grass were left for the big cattlemen. The withdrawal of oil gives a monopoly to the oil kings of to-day. Withdraw the coal and you add millions to the pockets of many big corporations. Lumber in this town has been increased in price $8 per 1,000 feet. This increase is not measured by the higher charge of the Government per 1,000 feet. For example, a millman here was instructed by the forest ranger in charge to pile all brush in a certain spot. After the brush was piled, then came a higher man from the outside and ordered all the brush to be removed to another place before burning. The people of Rio Blanco County pay for these extras.

Our greatest values lie in our coal deposits, which are immense. Without these assets we have a sorry future before us.

All forms of leasing keep out immigration to the West. The course of the Government in taking from the people their coal, their so-called grazing lands, their radium, and their oil, and in taking from the people of Colorado the water that falls on their lands, to be given to Mexicans, is making the United States a land of aristocrats and peasants.

The amount of income received by this county from 312,000 acres of forest land is not one-half so large as it receives from certain individual taxpayers owning only a small acreage. Leasers never build up a country.

One serious trouble in getting justice is that conservationists are theorists and not practicable.

All the oil lands and the radium lands of this country were discovered by prospectors. United States geologists are poor prospectors. We spent thousands of dollars in proving the oil lands of this county, but as soon as proved to be an oil territory they asked the President to withdraw the lands. Our asphaltum lands were discovered and developed by home people and United States geologists are only familiar with the size of such veins of coal as have been opened and patented by home people. If the radium deposits are left open to prospectors, this county will make that element a "drug on the market."

Our people still remember the fact that multimillionaire lumbermen were charter members of the conservation league, and that they made millions by the timberland withdrawals. Our citizens were in favor of such withdrawal, but never expected this Government to help build up a monopoly. We thought prices of lumber would be kept to the lowest limit.

Outside the forest every half section of land—the so-called grazing lands—remaining open to settlement contains tillable tracts aggregating 40 to 60 acres; and if not withdrawn will soon all be taken by home seekers, who by cultivation of these tracts will raise more feed and consequently more cattle on 320 acres than will ever be raised by leasers on 2,000 acres of the same lands. Moreover, owners of such lands will make permanent improvements.

We are especially opposed to lease moneys being handled by the Reclamation Service, believing them to be more wasteful than any other branch of the Government. We are well aware that department officials do not like criticism of their rulings and that in some cases precedent and pride prevents many of them from righting a wrong. Our former protests have always been mild and formal so as not to offend. The present danger to this community is too great to do less than lay bare the facts, no matter whom it hurts. The people of Rio Blanco County are a unit against the withdrawal of coal, oil, and radium lands. We are nearly so as to grazing lands, the only exceptions being a few big cattlemen and a few others who already have pastures fenced.

Resolved, That a copy of these resolutions be sent to Hon. EDWARD T. TAYLOR and Hon. JOHN F. SHAFROTH, at Washington, D. C.

RIO BLANCO COUNTY COMMERCIAL CLUB,
By W. S. MONTGOMERY, *President*.
W. D. SIMMS, *Secretary*.

If this general leasing policy is inflicted upon the West, I predict that Colorado and other Western States will be compelled to impose an excise tax upon the output of our coal mines and other Government-leased resources as a partial substitute for the loss of taxes on those properties.

A majority of the governors of the Western States met in Denver last April at their third annual conference, and prepared a statement upon this subject which is brief, plain, and specific. It reflects the sentiment of a majority of the western half of this Republic, and every Member of Congress should read and respect that sentiment in the enactment of legisla-

tion which primarily affects those States. The resolutions are as follows:

WHAT THE WEST WANTS.

[Resolutions adopted unanimously by the Third Annual Conference of Western Governors held in Denver, Colo., April 9, 10, and 11, 1914.]

We, the members of the western governors' conference, in convention assembled at Denver, Colo., April 7, 8, 9, 10, and 11, 1914, do hereby adopt the following resolutions:

CONSERVATION.

We believe in conservation—in sane conservation. We believe that the All-Wise Creator placed the vast resources of this Nation here for the use and benefit of all the people—generations past, present, and future, and while we believe due consideration and protection should be given to the rights of those who come hereafter, we insist that the people of this day and age should be given every reasonable opportunity to develop our wonderful resources and put them to a beneficial use.

STATE CONTROL.

That it is the duty of each and every State to adopt such laws as will make for true conservation of our resources, prevent monopoly, and render the greatest good to the greatest number; and that as rapidly as the States prepare themselves to carry out such a policy of conservation the Federal Government should withdraw its supervision and turn the work over to the States.

SETTLEMENT OF OUR LANDS.

Believing that those who control the soil control the Nation, and that the most blessed nations are those where the ownership of lands is in many hands, we insist that in the management and sale of our public lands both the Federal Government and the State should maintain such a policy as will make for the rapid settlement of all vacant agricultural lands.

DESERT-LAND ACT.

Resolved, That this convention recommend to Congress amendments of the following nature to the desert-land act:

(1) That the entryman's proof of citizenship in the State wherein he makes a desert-land filing be changed from the time of filing to the time of proving up.

(2) That the requirements of reclamation be enlarged to embrace the alternative proof of cultivation by the actual growing of crops by dry-farm methods on double the acreage required if by irrigation.

HOMESTEAD ENTRY.

We approve the plan now before Congress to permit homestead entries by persons over 18 years of age.

WATER POWER.

Whereas Congress has declared "the water of all lakes, rivers, and other sources of water supply, upon the public lands and not navigable, shall remain and be held free from the appropriation and use of the public for irrigation, mining, and manufacturing purposes," we insist the Federal Government has no lawful authority to exercise control over the water of a State through ownership of public lands.

We maintain the waters of a State belong to the people of the State, and that the States should be left free to develop water-power possibilities and should receive fully the revenues and other benefits derived from such development.

PRECIOUS METALS.

We reiterate our expression, contained in article 10 of the 1913 resolutions, referring to the reopening of mineral land, and in addition would urge that the revenues derived from the sale of such lands should be used for the reclamation of the arid lands of the West.

GRAZING LANDS.

We believe grazing lands should be disposed of through an "enlarged homestead" act giving the settler sufficient ground to enable him on a live-stock basis to support a family.

SUMMER HOMESTEAD LAW.

We favor the passage of a summer homestead or preemption law, permitting land not valuable for timber, minerals, or agriculture, but suitable for summer homes, to be acquired in not to exceed 40-acre tracts for summer homes. The entryman should not be required to be a resident of the State in which the land is situated, and suitable improvements of the value of $300 and three years' summer residence should be necessary to secure patent.

GOOD ROADS.

We reiterate that 5 per cent of the public lands in the several States should be granted to the said States to aid in construction of permanent roads.

DELAYS—RED TAPE.

We believe one of the greatest blessings the officials at Washington could bestow upon the West would be the elimination of all red tape and the taking of prompt action upon all matters pending before the departments and in which the Western States are interested, and we are pleased to note that efforts are already being made in that direction.

INTERIOR DEPARTMENT.

We are pleased at the thoughfulness of the Secretary of the Interior in sending so many of his representatives to the irrigation conference now in session in this city. We express our appreciation of his intention to adopt a more liberal policy toward the settlement and development of the West and assure him of our hearty cooperation in this direction.

DONATION OF LANDS.

We recommend that 10 per cent of all vacant and unappropriated public lands in each of the arid States be donated to such States, and each of them as shall so request, said lands to be sold by such States as other State lands are disposed of and the proceeds of such sales to form a reservoir fund to be used under the direction of the State for irrigation reclamation purposes.

RECLAMATION PROJECTS.

We urgently recommend that the United States reclamation projects now under process of construction be completed at the earliest practicable moment and turned over to the settlers thereunder as soon as can be.

CAREY ACT PROJECTS.

We urgently recommend that the United States Reclamation Service immediately investigate any and all Carey land, irrigation district, or like projects commenced or under construction in the arid States, and render such projects all financial and other assistance possible, to the end that they may be immediately completed and the settlers thereunder protected and assisted, and the persons holding bonds issued against said projects be compensated as far as practicable.

We urge the press of the Western States to investigate and actively support these principles.

RESOLUTIONS REAFFIRMED.

We reaffirm the action taken by the governors' conference in Salt Lake City, Utah, in 1913, as follows:

"We, the governors of public-land States, in conference assembled, believing that upon the administration of the laws governing the disposal of the public lands in a very large measure depends the future prosperity of our States, do hereby agree to the following statement of what we believe should be the policy of the National Government in the administration of the public lands:

"1. That the newer States having been admitted in express terms on an equal footing in all respects whatever with the original States, no realization of that condition can be attained until the State jurisdiction shall extend to all their territory, the taxing power of all their lands, and their political power and influence be thereby secured.

"2. That as rapidly as the States become prepared to take over the work of conservation, the Federal Government withdraw its bureau from the field and turn the work over to the States.

"3. That permanent withdrawal of any lands within our States from entry and sale we believe to be contrary to the spirit and letter of the ordinance of 1787, the policy of which was followed for over a century, and we urge that such lands be returned to entry and opened to sale as speedily as possible.

"4. Dilatory action on the part of executive departments of the Government in passing title to purchasers of public lands is unfair to the States, as it permits purchasers to occupy the lands indefinitely without the States having power to tax them.

"5. We believe that the best development of these States depends upon the disposal of the public lands to citizens as rapidly as the laws can be complied with.

"6. Bona fide homestead entry within the forest-reserve boundaries should be permitted in the same manner as on unreserved lands, subject only to protest where lands selected are heavily timbered with trees of commercial value, or known to contain valuable mineral deposits.

"7. That the Government grant to the public-land States 5 per cent of the public land remaining in such, to be administered by the States as the school lands are now administered, for the purpose of building national public highways.

"8. That liberal land grants be made for the purpose of establishing and maintaining forestry schools in the public-land States.

"9. That rights of way for all lawful purposes be granted without unwarranted hindrance or delay.

"10. That all mineral lands now withheld from entry, or classified at prohibitive prices, be reopened to entry at nominal prices, under strict provisions against monopolization.

"11. That we express our appreciation of the splendid work done by the departments at Washington in cooperation with the several States in experimentation and instruction. This assistance has been most valuable in the education of our children and the development of our States, and we commend the same principle to the administration at Washington as being the most feasible plan for the present advancement of true conservation.

"12. We believe that the National Government should provide for expert experimental work in the solution of the mining problems of the mineral States in the same manner that the Agricultural Department now assists the farmers in solving the agricultural problems.

"13. We believe that the speedy settlement of those public lands constitutes the true and best interests of the Republic. The wealth and strength of the country are its land-owning population.

"14. The best and most economical development of this western territory was accomplished under those methods in vogue when the States of the Middle West were occupied and settled. In our opinion, these methods have never been improved upon, and we advocate a return to those first principles of vested ownership with joint interest and with widely scattered individual responsibility."

Mr. Chairman, there was recently published in the Mining Science an article upon the general subject of leasing the natural resources of the public domain. It is very ably written by Mr. Chester T. Kennan, a mining engineer of Eagle, near my home in Colorado, who has given a great deal of thought and study to this very important subject. His article reflects the sentiment of a very large per cent of the people who live in that country and who have personally come in contact with the development of the West and as it has been carried on during recent years and who know what the effect will be of the present tendency toward bureaucratic centralization of power. The article is as follows:

PREDATORY BUREAUCRATS AND THE LEASING SYSTEM.

[Chester T. Kennan, M. E.]

No system of true conservation or good government requires that our citizens be made tenantry of a governmental landlord.

The land and natural resources alone make possible industrial and commercial existence of the individual State; they constitute its first capital and stock in trade, upon which it must conduct its business and development and maintain a government "republican in form," as required by its act of admission as a State.

The right of taxation is so necessary and fundamental that a sovereign State without it can not continue. To the latter imperative end, and to place the new States on an equal footing with the original States, and to provide that ours be a Nation of home owners, it has been this Nation's policy from the beginning to pass the public lands and national resources into private ownership, private control, and private development.

It is the plain duty of every citizen to assert and the courts to maintain the sovereignty of the State in conformity with that article of the Federal Constitution which provides that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people." It is therefore, the manifest right of every citizen to demand government by the people rather than by bureaus of the Central Government; and in so far as the constitutional power of regulation in these respects is

vested in the several States it is fundamental and imperative that it be not divested or invaded.

The acts of Congress admitting the public-land States to the Union contain the declarations which are taken from the ordinance of July 13, 1787, including the following provision: "The State of ——— shall be one and is hereby declared to be one of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever."

It is also provided in such acts of admission of new States that "they shall never lay any tax or assessment of any description whatever upon the public domain."

Neither the United States nor any State has the power to do any act or pass any law which will create inequality between the States, and any attempt on the part of either to do so is void and of no effect, ab initio. (39 Fed. Rep., 730; 9 Pet., 224; 15 Pet., 449; 104 U. S., 621; 146 U. S., 387; 152 U. S., 397; 164 U. S., 240; 168 U. S., 349; 176 U. S., 83, 87; 187 U. S., 479, 483; 190 U. S., 508, 519; 198 U. S., 371; 198 Fed. Rep., 539.)

The United States alone has no power to create unequal States by Executive act, by law of Congress, or by judicial interpretation of those laws, and all of such attempts are void. (198 Fed. Rep., 539.)

In 1845 the United States Supreme Court, in the case of Pollard's Lessee *v.* Hagan (3 How., 212), decided and laid down as fundamental law of the land "that the transaction between the United States and Virginia and Georgia and the Louisiana Purchase constituted a contract and created a trust, under which the United States secured control of the public lands to pay the public debts by bona fide disposing of them in order that new States might be erected, which should be equal in every respect to the original States; that the United States holds the lands for temporary purposes only, and in trust for the State where they lie; and that until the lands were disposed of by the United States the new State was not on a footing of equality with the original States.

As late as May, 1911, the United States Supreme Court, in the case of Coyle *v.* Oklahoma (221 U. S., 559), quotes the above case of Pollard's Lessee *v.* Hagan with approval and reaffirms the perfect equality of the State in relation to the United States.

The United States Government holds the public domain in trust (not in fee). What each citizen, therefore, owns in the public domain is his right to acquire a segment of it if he chooses so to do. Congress has no power to authorize the Central Government to seize the title in fee and perpetuity and rent the lands to the people.

The status of our public-land system now is, and always has been, that the Central Government holds the public domain temporarily and in trust, to be erected into sovereign States upon an equal footing with the original States in every respect; to afford equal opportunity to every citizen to acquire a home; and to be disposed of at nominal prices to private ownership, in order that the Central Government might, as speedily as possible, retire as a landlord from the several States. The people have always emphasized that the Government should not hold the public lands, even in trust, any longer than absolutely necessary to systematically and equitably pass them to private ownership. The day has long gone by when it was thought right or justifiable that the king, government, ruling classes, or bureaucrats should own and control the land in perpetuity and rent it to the people.

Under this beneficent, enlightened democratic land system we have reared the leading and most progressive Nation of the world.

The bureaucrats, or "conservationists"—under the latter alias they seem to prefer to operate—now demand that our established system of land tenure be subverted, and our form of government in a vital principle revolutionized.

They are now conjuring Uncle Sam to be a traitor to his trust, to embezzle the "trust fund," to become the most royal, selfish landlord this world has ever witnessed, to seize soil within the States in perpetuity, free from taxation, to rent the land to his tenant vassals, to deny public-land States equality with the original States, to destroy their sovereignty, make them provinces, and draw a line around the western third of the United States and denominate it on the map, "Ireland of America—doomed forever to fight for 'home rule.'"

Manifestly, their scheme is not progressive, but reactionary at least 1,000 years.

Any form of conservation which fails to take into account the rights and needs of the present generation evidently does not cover the whole field and has no place in this country.

True conservation may be defined as the least practicable waste consistent with the greatest practicable use.

Conservation is a technical and scientific subject, while the ownership and passing of title to the public land is a political and sociological subject, and the two have no necessary connection; yet, while sailing under the fair banner of "conservation," our bureaucrats have attempted to create and take over to themselves the most gigantic land monopoly this world has ever witnessed—already having under their control in forest reserves, withdrawals, etc., near 200,000,000 acres, an area greater than many kingdoms of Europe combined.

An example of true conservation is presented by the management of our great stockyards, where every conceivable part of the slaughtered animal is saved and placed to a fitting use. The great modern coal-coking plants and large petroleum refineries are striking examples of conservation, by saving a vast number of by-products that would otherwise be wasted or not placed to their most valuable use. Every advance in metallurgical processes which enables us to more cheaply extract metals from their ores and thereby utilize lower grades of ore at a profit is a long step in the field of true conservation. Life-saving and labor-saving devices and the protection of property from destruction and waste by fire are legitimate and worthy forms of conservation.

But unmindful of the truism so pertinently expressed by President Wilson, that "conservation is not reservation," our bureaucrats have practically ignored conservation and devoted all their energies to reservation, seeking to reserve under their own control all the public domain and its natural resources as against the public-land States and the people, until we are now burdened with the omnipresent forest reserves, park reserves, military reserves, naval reserves, coal reserves, water-power reserves, missionary reserves, Government reserves, school reserves, bird reserves, and archæological reserves, and then they withdrew practically all the balance of the desirable lands from market under the pretense of "classification"; and now they are introducing bills in Congress to accomplish their final coup d'etat by having the Government seize title to the public domain in fee and perpetuity, and lease it to the people, the bureaucrats at last firmly in the saddle as administrators of the grand feudal empire.

During the sinister progress of this long-drawn-out campaign for bureaucratic autocracy the musty air of medieval tyranny has become ever thicker and more suffocating to western nostrils, consistently with their purpose, the most strenuous effort of the bureaucrats have been exerted to retain the public domain in a state of nature, to prevent development, and to prevent the public lands from passing to private ownership until such time as they could prevail upon Congress to have the Central Government seize the public domain in fee and rent it to the people and make the bureaucrats administrators of the vast estate.

What coterie of politicians, pray, would not like to be administrators of such vast empire, with power, salaries, perquisites, patronage, and opportunities for graft unlimited?

While each State has all the power to suppress or destroy monopoly within its borders that the Central Government has within its sphere, yet while striving to create the greatest land monopoly that ever existed, the most popular slogan of the bureaucrats has been that only their plan could prevent monopoly of the public domain. Even if we had no special statutes in this behalf, monopoly could be suppressed or destroyed under the common law of England.

Would it not be timely and appropos for our lawmakers at Washington now, while they have their hands in at investigating and dissolving "trusts," to investigate this one, the greatest and most noxious of them all—the public-domain trust of the United States—now hatching on the floors of Congress?

There appears to be no limit to the legislative power of these autocrats of the bureaus. They boldly occupy the "twilight zone" between State rights and the rights and powers of the central government; and to enforce their bureau-made laws have inaugurated a reign of terrorism in the Western States through an organized army of many thousands of men, including forest rangers, petty officers, mineral examiners, general solicitors, special solicitors, attorneys, press agents, statisticians, common spies, muckrakers, lecturers, detectives, secret-service agents, affidavit gleaners, collectors of rents and bills and royalties, star-chamber courts, etc. While we are compelled to admit that the spy system of our bureaus is now the finest in all the world—not even that of Turkey or Russia excepted—in simple justice to the American people we are gratified to state that the people are not proud of it. We are bowed down with humiliation and shame that such a glaring example of monstrous tyranny and oppression has gained a foothold on American soil.

We should not now turn our backs upon our enlightened form of government, and, at the bidding of these purely political "conservationists" for gain, retrace our steps to feudal times and conditions. We should not drift from the principle of encouraging the individual, the small owner, and the home, but if occasionally there are abuses, or men file upon land wrongfully, let the individual case be punished under the established laws of the land.

Under the leasing system we would have the feudal condition of a portion of our citizens being freeholders and freemen and another portion being tenantry and serfs of the ruling landlord. We would then have on American soil the political spectacle of one portion of our citizens paying taxes to maintain an ancient form of government over another portion.

The Western States hold that it is the just prerogative of each State in the Union to adopt such system of true conservation of the resources within its borders as may best suit the needs and purposes of its people, exercising therein such practical economy in behalf of future generations as may by each State be deemed wise and provident.

As an illustration Gov. Ammons has well pointed out that the leasing system would mean, in effect, that Colorado would ultimately pay into the Federal Treasury on coal alone, figuring the present highest rate of royalty, the enormous tax of $37,100,000,000, while it would pay annually on water power alone, when fully developed, twice as much as it now collects in State taxes for all purposes.

The people realize and keenly appreciate that there is a wide distinction between the act of two citizens equal under the law making a contract of lease between themselves and the ruling landlord, who is also the lawmaker, contracting or forcing a contract with his tribute payer under the law. It is a luminous fact in history familiar to all that whenever a government and its officials became vested with the resources of the people and their opportunities to make a living, the people were no longer free and that form of government was doomed to eventual if not speedy wreck.

The experiment of governing people through the soil has been often tried, but never with ultimate success—the man who says it should now be tried, whatever he may call himself, is a socialist, pure and simple; but he is too late with his doctrine in this country, unless he proposes that Uncle Sam seize the title in fee to the whole area of the United States and lease it all, so that we shall all be on an equal footing. Abraham Lincoln said: "Tell the people the truth, and the Nation is safe."

The bill as reported to the House by the committee and now under consideration as in Committee of the Whole is as follows:

[H. R. 16673, Sixty-third Congress, second session.]

A bill to provide for the development of water power and the use of public lands in relation thereto, and for other purposes.

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized and empowered, under general regulations to be fixed by him, and under such terms and conditions as he may prescribe, not inconsistent with the terms of this act, to lease to citizens of the United States, or those who have declared their intention to become such, or to any association of such persons, or to any corporation organized under the laws of the United States, or any State or Territory thereof, any part of the lands and other property of the United States (including Alaska), reserved or unreserved, including lands in national forests, national monuments, military and other reservations, not including national parks, for a period not longer than 50 years for the purpose of constructing, maintaining, and operating dams, water conduits, reservoirs, power houses, transmission lines, and other works necessary or convenient to the development, generation, transmission, and utilization of hydroelectric power, which leases shall be irrevocable except as herein provided, but which may be declared null and void upon breach of any of their terms: *Provided*, that such leases shall be given within or through any of said national forests, military or other reservations only upon a finding by the chief officer of the department under whose supervision such forest, national monument, or reservation falls that the lease will not injure, destroy, or be inconsistent with the purpose for which such forest, national monument, or reservation was created or acquired: *Provided further*, That in the granting of leases under this act the Secretary of the Interior may, in his discretion, give preference to applications for leases for the development of electrical power by States, counties, or municipalities, or for municipal uses and purposes: *Provided further*, That for the purpose of enabling an applicant for a lease to secure the data required in connection there-

with, the Secretary of the Interior may, under general regulations to be issued by him, grant a preliminary permit authorizing the occupation of public lands valuable for water-power development for a period not exceeding one year in any case, which time may, however, upon application, be extended by the Secretary if the completion of the application for lease has been prevented by unusual weather conditions or by some special or peculiar cause beyond the control of the permittee, the tenure of the proposed lease and the charges or rentals to be collected thereunder to be specified in said preliminary permit, and such permittee upon filing an application for lease prior to the expiration of the permit period shall be entitled to a preference right to lease the lands embraced in the permit upon the terms, conditions, and limitations authorized by this act.

SEC. 2. That each lease made in pursuance of this act shall provide for the diligent, orderly, and reasonable development and continuous operation of the water power, subject to market conditions, and may provide that the lessee shall at no time, without the consent of the Secretary of the Interior, contract for the delivery to any one consumer of electrical energy in excess of 50 per cent of the total output.

SEC. 3. That in case of the development, generation, transmission, and use of power or energy under such a lease in a Territory, or in two or more States, the regulation and control of service and of charges for service to consumers and of the issuance of stock and bonds by the lessee is hereby conferred upon the Secretary of the Interior or committed to such body as may be provided by federal statute: *Provided*, That the physical combination of plants or lines for the generation, distribution, and use of power or energy under this act or under leases given hereunder may be permitted, in the discretion of the Secretary, but combinations, agreements, arrangements, or understandings, express or implied, to limit the output of electrical energy, to restrain trade with foreign nations or between two or more States or within any one State, or to fix, maintain, or increase prices for electrical energy or service is hereby forbidden.

SEC. 4. That except upon the written consent of the Secretary of the Interior no sale or delivery of power shall be made to a distributing company, except in case of an emergency and then only for a period not exceeding 30 days, nor shall any lease issued under this act be assignable or transferable without such written consent: *Provided, however*, That nothing herein contained shall preclude lessees from executing mortgages or trust deeds for the purpose of financing the project. Any successor or assign of such property or project, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all the conditions of the approval under which such rights are held, and also subject to all the provisions and conditions of this act to the same extent as though such successor or assign were the original lessee hereunder.

SEC. 5. That upon not less than three years' notice prior to the expiration of any lease under this act the United States shall have the right to take over the properties which are dependent, in whole or in part, for their usefulness on the continuance of the lease herein provided for, and which may have been acquired by any lessee acting under the provisions of this act, upon condition that it shall pay, before taking possession, first, the actual costs of rights of way, water rights, lands, and interests therein purchased and used by the lessee in the generation and distribution of electrical energy under the lease; and, second, the reasonable value of all other property taken over, including structures and fixtures acquired, erected, or placed upon the lands and included in the generation or distribution plant, and which are dependent as hereinabove set forth, such reasonable value to be determined by mutual agreement between the Secretary of the Interior and the lessee, and, in case they can not agree, by proceedings instituted in the United States circuit court for that purpose: *Provided*, That such reasonable value shall not include or be affected by the value of the franchise or good will or profits to be earned on pending contracts or any other intangible element.

SEC. 6. That in the event the United States does not exercise its right to take over, maintain, and operate the properties as provided in section 5 hereof, or does not renew the lease of the original lessee upon such terms and conditions and for such periods as may be authorized under the then existing applicable laws, the Secretary of the Interior is authorized, upon the expiration of any lease under this act, to lease the properties of the original lessee to a new lessee upon such terms, under such conditions, and for such periods as applicable laws may then authorize, and upon the further condition that the new lessee shall pay for the properties as provided in section 5 of this act.

SEC. 7. That where, in the judgment of the Secretary of the Interior, the public interest requires or justifies the execution by any lessee of contracts for the sale and delivery of electrical energy for periods extending beyond the life of the lease, such contracts may be entered into upon the approval of the said Secretary, and thereafter in the event of the exercise by the United States of the option to take over the plant in the manner provided in sections 5 or 6 hereof, the United States or its new lessee shall assume and fulfill all such contracts entered into by the first lessee.

SEC. 8. That for the occupancy and use of lands and other property of the United States permitted under this act the Secretary of the Interior is authorized to specify in the lease and to collect charges or rentals for all power developed and sold or used by the lessee for any purpose other than the operation of the plant, and the proceeds shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress approved June 17, 1902, known as the reclamation act, and after use thereof in the construction of reclamation works and upon return to the reclamation fund of any such moneys in the manner provided by the reclamation act and acts amendatory thereof and supplemental thereof, 50 per cent of the amounts so utilized in and returned to the reclamation fund shall be paid by the Secretary of the Treasury after the expiration of each fiscal year to the State within the boundaries of which the hydroelectric power or energy is generated and developed, said moneys to be used by such State for the support of public schools or other educational institutions or for the construction of public improvements, or both, as the legislature of the State may direct: *Provided*, That leases for the development of power by municipal corporations solely for municipal use shall be issued without rental charge, and that leases for development of power not in excess of 25 horsepower may be issued to individuals or associations for domestic, mining, or irrigation use without such charge.

SEC. 9. That in case of the development, generation, transmission, or use of power or energy under a lease given under this act in a State which has not provided a commission or other authority having power to regulate rates and service of electrical energy and the issuance of stock and bonds by public utility corporations engaged in power development, transmission, and distribution, the control of service and of charges for service to consumers and stock and bond issues shall be vested in the Secretary of the Interior or committed to such body as may be authorized by federal statute until such time as the State shall provide a commission or other authority for such regulation and control.

SEC. 10. That where the Secretary of the Interior shall determine that the value of any lands, heretofore or hereafter reserved as water-power sites or for purposes in connection with water-power development or electrical transmission, will not be materially injured for such purposes by either location, entry, or disposal, the same may be allowed under applicable land laws upon the express condition that all such locations, entries, or other methods of disposal shall be subject to the sole right of the United States and its authorized lessees or grantees to enter upon, occupy, and use any part or all of such lands reasonably necessary for the accomplishment of all purposes connected with the development, generation, transmission, or utilization of power or energy, and all rights acquired in such lands shall be subject to a reservation of such sole right to the United States, its lessees or grantees, which reservation shall be expressed in the patent or other evidence of title: *Provided*, That locations, entries, selections, or filings heretofore allowed for lands reserved as water-power sites or in connection with water-power development or electrical transmission may proceed to approval or patent under and subject to the limitations and conditions in this section contained, but nothing herein shall be construed to deny or abridge rights now granted by law to those seeking to use the public lands for purposes of irrigation or mining alone.

SEC. 11. That the Secretary of the Interior is hereby authorized to examine books and accounts of lessees, and to require them to submit statements, representations, or reports, including information as to cost of water rights, lands, easements, and other property acquired, production, use, distribution, and sale of energy, all of which statements, representations, or reports so required shall be upon oath, unless otherwise specified, and in such form and upon such blanks as the Secretary of the Interior may require; and any person making any false statement, representations, or report under oath shall be subject to punishment as for perjury.

SEC. 12. That any such lease may be forfeited and canceled, by appropriate proceedings, in a court of competent jurisdiction whenever the lessee, after reasonable notice, in writing, as prescribed in the lease, shall fail to comply with the terms of this act or with such conditions not inconsistent herewith as may be specifically recited in the lease.

SEC. 13. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

SEC. 14. That nothing in this act shall be construed as affecting or intended to affect or to in any way interfere with the laws of any State relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired thereunder.

SEC. 15. That all acts or parts of acts providing for the use of the lands of the United States for any of the purposes to which this act is applicable are hereby repealed to the extent only of any conflict with this act: *Provided, however*, That the provisions of the act of February 15, 1901 (31 Stat. L., 790), shall continue in full force and effect as to lands within the Yosemite, Sequoia, and General Grant National Parks in the State of California: *And provided further*, That the provisions of this act shall not be construed as revoking or affecting any permits or valid existing rights of way heretofore given or granted pursuant to law, but at the option of the permittee any permit heretofore given for the development, generation, transmission, or utilization of hydroelectric power may be surrendered and the permittee given a lease for the same premises under the provisions of this act.

Mr. LA FOLLETTE. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE. Mr. Chairman, I shall ask the indulgence of the House for a few moments while I digress from the bill under consideration to speak briefly of the bill to amend the navigation laws, upon which, if the newspaper reports are to be relied upon, the conferees came to an agreement last night. The bill to which I refer, H. R. 18202, "An act to provide for the admission of foreign-built ships to American registry for the foreign trade, and for other purposes," was introduced at the opening of the European war, at the instance of the President of the United States, as explained by the gentleman from Alabama [Mr. UNDERWOOD]. It proposes to waive certain laws affecting coastwise and foreign-trade vessels and to suspend those laws as they protect American shipping, in the interest of those who care to take their money out of the United States to buy foreign vessels and ply them in the foreign trade. We were told when this bill came up for hurried consideration that it was wholly an emergency measure; that it was intended to meet conditions that had suddenly arisen; that it was due to the fact that there was a stoppage of exports; that it was absolutely necessary, if our great crops in the West and our great cotton output in the South were to be shipped to foreign ports. Some of us saw in it a lesson for the people who are interested in the general progress of the United States. We saw in it a rebuke to those who have thus far prevented the upbuilding of an American merchant marine. We saw in it a confession of the party in power——

Mr. DONOVAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DONOVAN. Under the rules nothing but the subject contained in the bill is to be discussed.

Mr. MANN. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed, inasmuch as his time already has been allotted.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent that the gentleman from Pennsylvania [Mr. MOORE] in the 10 minutes yielded to him may discuss

other matters than those mentioned in the bill under consideration. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE. We saw in the introduction of this bill an explanation and an admission by the party in power that this Government had not provided against just such an emergency as had arisen and that it was necessary from its point of view to invoke the aid of foreign shipbuilders, of foreign workmen, and of foreign seamen to carry American business upon the high seas.

Mr. SELDOMRIDGE. Will the gentleman yield for a question?

Mr. MOORE. I have only 10 minutes, but I will yield to the gentleman from Colorado.

Mr. SELDOMRIDGE. I will ask the gentleman if he is not bringing an indictment against his own party in that statement after 16 years of power in this country?

Mr. MOORE. No; because whenever the Republican Party attempted to pass a bill to upbuild the American merchant marine, a bill that you called a subsidy bill or a subvention bill, the Democratic Party invariably, with such assistance as it could get elsewhere, voted the proposition down.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. MOORE. Yes.

Mr. HUMPHREY of Washington. I call the gentleman's attention to the fact that since he has been a Member of the House, I think, the House passed a bill for a merchant marine, to remedy this very condition. It went to the Senate and was filibustered to death by two Democratic Senators.

Mr. MOORE. That is true. I am glad of the interruption of the gentleman from Colorado, since he is a useful new Member of this House and will need this kind of information as he goes along here in his congressional career. So, Mr. Chairman, the introduction of this bill and the explanation of it was a confession by the party now in power that it was unable to meet an emergency when an emergency arose.

Mr. CLINE. Will the gentleman yield for a short question?

Mr. MOORE. Yes; and then I think I will have to decline.

Mr. CLINE. Did not your party in the Sixtieth Congress lose that bill to permit the merchant marine by three votes?

Mr. MOORE. With the assistance of the Democrats who voted against the proposition.

Mr. CLINE. You were in control of the House.

Mr. MOORE. We were not in absolute control or we would have put it through. But the leader of your party in supporting this bill admitted on the floor that he came direct from the White House and at the instance of the President. He was compelled to state that an emergency had arisen, such an emergency as we were unable to meet with American resources. When the gentleman from Missouri [Mr. ALEXANDER] was on his feet this occurred:

Mr. MOORE. Mr. Chairman, will the gentleman yield?
Mr. ALEXANDER. I will.
Mr. MOORE. I assume that this is an emergency measure.
Mr. ALEXANDER. Yes.
Mr. MOORE. We can not obtain copies of the bill, and therefore we must depend very largely upon the gentleman for information; but I would like to ask the gentleman just what the emergency is, since the passage of this bill, which seems to embody substantive law, makes a very radical change in existing law.
Mr. ALEXANDER. I will say to the gentleman if he was here when I read the telegrams——
Mr. MOORE. I heard part of what the gentleman said, but there was so much confusion I could not hear it all.
Mr. MURDOCK. There was a great deal of confusion.
Mr. ALEXANDER. I read telegrams from the American Exporter, of New York, a publication which undertakes to reflect the views of exporters and manufacturers. I also read telegrams from Chicago saying that this legislation is necessary on account of the present congestion of traffic; in other words, to move our manufactures, cotton, and grain to foreign countries. One of the great difficulties in the financial situation grows out of the congestion of our foreign commerce occasioned by the war in Europe and the interruption of the normal course and channels of trade, and it is absolutely necessary to make some provision to move our commerce.
The gentleman knows that 92 per cent of our commerce is carried in foreign ships. Now, the condition of war existing in Europe has partially paralyzed our foreign trade, and unless some provision is made to move our cotton and wheat and other exports in the ships of other neutral nations, or in ships under the American flag, we are going to suffer a very great loss.
Mr. MOORE. Assuming that the condition of war that now prevails in Europe will prevent the use by American exporters of such ships as now sail under foreign flags, and that we will be thrown upon our own resources in the American merchant marine for the carrying of cotton, grain, etc., why should we pass a measure of this kind that will change substantive law when only an emergency prevails? Why should there not be some limitation upon the discretion of the President? For instance, he is given discretion here——
Mr. ALEXANDER. He is simply given discretion in reference to officers, foreign officers on the ships, and inspection and the measurement of ships.
Mr. MOORE. I think the gentleman will see that very large questions of shipbuilding and of wages paid to labor are involved here, and will be involved permanently if we adopt this legislation by reason of war conditions in Europe. Why should we pass a permanent law to meet an emergency?
Mr. ALEXANDER. I do not think it will affect these questions materially. In fact, I am not so certain that this bill will in any substantial way build up the American merchant marine, as far as that is concerned.

The gentleman from Missouri was unable through lack of time and a desire to pass this bill to answer certain further questions, but later on I introduced the matter in a five-minute statement, whereupon the gentleman from Alabama [Mr. UNDERWOOD], the leader of the Democratic Party, who spoke for the President in this particular instance, undertook to explain, and he did explain, that the President had called in the leaders and had asked that some such measure as this be enacted at once. That part of the RECORD which pertains to this matter is as follows:

Mr. UNDERWOOD. Mr. Speaker, does the gentleman desire to have his question answered?
Mr. MOORE. Yes.
Mr. UNDERWOOD. Mr. Speaker, I will state to the gentleman that on last Friday the President of the United States requested me to investigate this situation and report the facts to him in a bill. Judge ALEXANDER and myself conferred with Mr. Chamberlain, the head of the Navigation Bureau of the Commerce Department, and this bill was prepared by Mr. Chamberlain in accordance with the suggestions that Judge ALEXANDER and myself made to him. Subsequently, after it was prepared, it was submitted to the President as it now stands and was drawn and met with his entire approval, and he authorized me to say that he desires its passage.
Mr. MOORE. Mr. Speaker, I thank the gentleman very much for that statement and would ask him this further question, whether his view of this bill is that it is an emergency bill, pure and simple?
Mr. UNDERWOOD. Absolutely, so intended.

Now, a little later the gentleman from Alabama [Mr. UNDERWOOD] made a great speech urging the passage of this bill, its immediate passage, and in the course of that speech he presented figures and statistics which indicated that this was something more than an emergency measure; that it was intended, by the purchase of foreign ships, and the introduction of foreign labor at foreign prices, and the introduction of foreign conditions that would prevail in regard to these ships, to build up an American merchant marine. Whether the party leaders in the House intended the measure to make permanent legislation or not the House passed the bill, and it went to the Senate.

Certain amendments were there proposed to the bill which unquestionably suggested permanent law. Then conferees were appointed, and those conferees—if we are to believe the newspapers this morning, those conferees included the leader of the Democratic Party, who was named especially for this occasion—have come to an understanding that certain objectionable Senate amendments shall go out; but one all-important amendment is to go in, and whether it be constitutional or in accordance with the rules to originate this kind of business in conference, this new amendment, which stands for no shillyshallying, no beating around the bush, about an emergency, provides that for two years any foreign ship, built by foreign labor, manned by foreign officers and sailors, may come into the coastwise trade of the United States, sail from port to port in the United States, and drive out whatever American merchant marine is still left, thus engaging in a competitive, if not a destructive, coastwise business from port to port.

So far as we hear, the conferees have not objected to that part of the bill which provides that at his discretion the President may suspend the navigation laws, and that he may accept foreign-built ships, and that they may receive American registry, and that they may employ foreign officers and foreign crews at foreign wages. But these ships—if this amendment as reported is agreed to—shall come into the coastwise trade; they are to come in under the American flag, under foreign conditions, with men paid foreign wages, under foreign registry, under foreign survey, under foreign inspection, under foreign measurement; every one of which conditions sets up the European standard against that of the United States, and denies to the American merchantman, and to the shipper upon the Atlantic, or the Pacific, or the Gulf, or the Great Lakes, the advantage that would thus be accorded to foreign competitors.

Thus upon the ground of emergency we are asked to permit foreign ships and foreign conditions to come in and take away our business and our right to the carrying trade on our own coasts.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MOORE. Mr. Chairman, under the guise of an emergency due to a foreign war which has taken away from the American export trade nearly all of the foreign ships that have dominated

it, should we pass a law depriving American ships of the protection they now have in the coastwise trade? True, there are certain representatives of export districts who would like to have foreign ships permitted to enter the coastwise trade, but is this the way and is this the time to tell American shipbuilders to quit business? The problem we have been asked to face as an emergency is the getting into foreign countries our surplus cotton and grain. I regret to say that most of the opposition to the upbuilding of an American merchant marine by mail subsidy or otherwise has come from this very class of exporters. They have good customers in foreign countries, but they find themselves suddenly bereft of their foreign market, because, an emergency having arisen and they themselves having defeated our prospects for an American merchant marine, the support of foreign vessels has been withdrawn from them. Their appeal as it came through the President and the Democratic leaders was for relief through the purchase of foreign vessels and their temporary use in carrying cotton and grain to belligerent countries. Thus far their appeal to maintain their foreign trade has not met with very great resistance.

There has been much sympathy with the emergency movement to obtain ships to prevent a glut of cotton and corn in the American market. But now, after the lapse of days and a deliberate and seemingly unwarranted increase in the cost of food supplies within the United States, we are asked to incorporate in this so-called emergency bill to relieve the export trade provision that foreign ships, if owned by Americans, may enter into our own coastwise trade, and, bringing foreign officers and crews and every other foreign advantage with them, enter into direct competition with our own vessels, our own officers, our own crews, and our own methods of doing business. When the facts are understood by the people I do not believe they will approve this legislation. In the first place, foreign surveys differ from American surveys, greatly to the advantage of the foreigner. So it is with inspection cost and with measurements. If we accept the foreign standards in these respects, our own conditions must be lowered to meet the competition. We pay our officers and our seamen more than the foreigners pay. If we admit these foreign ships on foreign terms, there can be no equality of compensation or wages that will not degrade the American standards. Under these circumstances it is doubtful if Americans can be induced to further invest in American shipyards. Indeed, it is doubtful if American shipyards can thrive at all if this bill passes. The conditions are too unequal, and the consequences would fall most heavily upon the labor that is now employed in shipbuilding and allied industries. In Cramp's shipyard, in my district, and in the New York Shipbuilding Co.'s plant, across the Delaware River, probably 10,000 men are employed. They support at least 50,000 people. They could not do that in competition with the workmen who build ships in England or in Germany or in any one of the European countries. The problem is a serious one. Indeed, it is a grave question whether in our desire to meet an emergency in the export trade we are warranted in driving our own shipyards out of business and placing foreigners only in control of our coastwise trade.

Mr. RAKER. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. BRYAN].

The CHAIRMAN. The gentleman from Washington [Mr. BRYAN] is recognized for five minutes.

Mr. BRYAN. Mr. Chairman, I for one am very glad to know that these bills are being taken up and being acted upon by this Congress. I am thankful that the situation is such as to permit this Congress to pay as much attention as it has paid to some of our western propositions. This Congress has already appropriated $35,000,000 for the building of a railroad in Alaska to develop that Territory along the line and idea of the conservationist program, and we are glad for that.

Already the reclamation extension bill, which is one of the four selected measures, has been considered and passed by the House, giving an extension of time to those who are living on the reclamation projects of the West, and we are very glad for that.

This bill that is now pending enlarges somewhat the privileges under which the rights of the Government may be absorbed by private parties in the great West and utilized for the purpose of upbuilding and developing the industries and enriching the people of that great region. We are glad of this.

We do not hesitate for one moment to recognize and applaud the ownership of the Federal Government. We do not object because the Federal Government and not private parties own them. As we go mile after mile over the timber domain of western Washington and find vast tracts, about five times as much in private ownership as there is in public ownership, we feel a little tinge of pride and a stir of patriotism when we come to the land that belongs to the United States Government and get away from that which belongs to the Weyerhaeusers and the Guggenheims.

Gentlemen here can not touch this subject without reaching out to that billion dollars' worth of Government timber. They want to get it into the hands of a private interest; then, and then only, will they be satisfied. They use the argument, no doubt, that if put into private ownership it will pay some taxes to the State. But I notice that the Weyerhaeusers do not give away their timberland in order to save taxes; and I notice that in the State of Colorado, represented in part by the gentleman [Mr. TAYLOR] who has spoken this morning, and who complains about Federal espionage over the affairs of his State, the right and power and control of John D. Rockefeller does not help the people out there in the payment of their taxes. In States where we have to recognize a Federal bureau the people do not chafe nearly so much under that Federal bureau as they would if there was a regiment of United States Regulars there trying to make us act decently. So I say we are glad to have the Federal Government maintain a strong hold on the property that it owns. We are glad to have the Government let that property be leased on terms to private parties and take it back again when it wants to and handle it for the use and benefit of the people, but we do not want to part with title to it.

When the last National Conservation Congress was held here and a resolution was passed embodying those principles, I am very sorry to say that the delegation from my State voted against the resolution and, as I understand, formed a kind of rump convention and went over to another hotel and tried to organize a new association. One of my colleagues was a delegate to that convention, and he is opposing, and consistently opposing, that proposition to-day. I do not question his sincerity. He is sincere. He does not like that plan at all.

The following is the resolution which brought on the division:

Whereas concentrated monopolistic control of water power in private hands is swiftly increasing in the United States, and far more rapidly than public control thereof; and

Whereas this concentrating, if it is fostered, as in the past, by outright grants of public powers in perpetuity, will inevitably result in a highly monopolistic control of mechanical power, one of the bases of modern civilization and a prime factor in the cost of living: Therefore be it

Resolved, That we recognize the firm and effective public control of water-power corporations as a pressing and immediate necessity urgently required in the public interest;

That we recognize that there is no restraint so complete, effective, and permanent as that which comes from firmly retained public ownership of the power site;

That it is, therefore, the solemn judgment of the Fifth National Conservation Congress that hereafter no water power now owned or controlled by the public should be sold, granted, or given away in perpetuity, or in any manner removed from the public ownership, which alone can give sound basis of assured and permanent control in the interest of the people.

But the Democratic Party, if it fears the result of the next election, need not fear the people of the State of Washington on account of this legislation, because Congress refuses to give these public resources away. If the Democratic Party loses out in the West, that will not be the reason why it is driven out of power. Not at all.

Recently I received from the Commercial Club of Seattle a resolution, which I will incorporate in my remarks, suggesting a little more liberality in the matter of terms, so that anyone who goes on the public lands to invest should understand that he would have it for a definite period of time and be given opportunity to make some development and a definite investment. This is the resolution:

Resolution passed by the Seattle Commercial Club June 16, 1914.

Be it resolved, That the Seattle Commercial Club respectfully urge upon Congress the necessity of passing water-power legislation at this session of Congress, of such nature as, while protecting the public interest, shall make it possible to secure capital for development purposes, and establish a definite and comprehensive policy for the utilization of water powers under Government control.

Be it resolved, That copies of this resolution be sent to the President of the United States, to the Speaker of the House, to the Secretaries of War and of the Interior, to the Senate Committee on Irrigation and Reclamation of Arid Lands, to the House Committee on Interstate and Foreign Commerce, and to Members of the United States Senate and House of Representatives from the Rocky Mountain and Pacific Coast States.

Be it further resolved, That copies of this resolution be sent to the commercial bodies of Spokane, Tacoma, Portland, San Francisco, and Los Angeles asking their cooperation in this matter.

SEATTLE COMMERCIAL CLUB.

I received recently a letter containing a resolution passed by the governors, signed, among others, by Gov. Ammon, of Colorado. He, of course, takes a somewhat different view. The resolution reads as follows:

STATE OF COLORADO,
EXECUTIVE OFFICE,
Denver, April 14, 1914.

Hon. JAMES W. BRYAN,
House of Representatives, Washington, D. C.

MY DEAR MR. BRYAN: It has been reported to me that the resolution pertaining to the water powers of the West, unanimously adopted by the

Western Governors' Conference in session in Denver April 7 to 11, was omitted from the eastern press reports. Inasmuch as this was one of the most important of the resolutions adopted by the conference and one in which great interest was taken, I give you below a copy of the same for your information:

"Whereas Congress has declared 'The water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes,' we insist the Federal Government has no lawful authority to exercise control over the water of a State through ownership of public lands.

"We maintain the waters of a State belong to the people of the State, and that the States should be left free to develop water-power possibilities and should receive fully the revenues and other benefits derived from such development."

Yours, very truly,

E. M. AMMON,
Secretary Western Governors' Conference.

This great Nation is a great big family. The interest of one is the interest of all. We delight in Federal aid in the reclamation of the arid lands, and we are glad to have the aid of the Federal Government in this matter of retaining and holding intact the priceless resources now remaining in coal, timber, minerals, and water power.

Senator SHAFROTH, of Colorado, speaking at the Fifth Annual Conservation Congress at the New Willard Hotel last November, said:

We—

The people of Colorado—

contribute to the defense of the Nation in the way of harbor fortifications, and we do not get any of that back. We are in a position where we are not benefited except in a national sense. We are proud of our Nation because it is ours. We are not benefited, I say, except in a national sense, because Colorado is so far off that no army on earth could ever reach it.

And the record says the people greeted this with laughter.

A few months have passed and now a great European war has emphasized not merely the federation of the States but the federation of the world. Colorado to-day needs the use of boats and harbors precisely as much as do the seaboard States, and as to the Army, Colorado and Vera Cruz are the only areas in the world where the Army of the United States is finding active service.

The letter from Gov. Ammons begging to be delivered from Federal control stands out in contrast with his request to the President for troops to save the people from the iniquities developed under alien private control of coal and mineral lands in the very State of Colorado.

THE PROPOSITION OF WASTE IS RELATIVE.

Great stress is laid on the statement that much water power is going to waste, but is it not just as well for this to continue to go to waste a little while longer as for Boston capitalists to acquire it forever? Forever is a long time. The amount of profits these gentlemen can have must be regulated. The way to effectively regulate them is to hold fast to the fee, to the title. It has already been shown that water-power development is almost unprecedented in this country. There is development. I would like to see such development stimulated, but I will not vote for any measure to give away, but insist on retaining in public ownership this valuable asset.

The people of my State do not fear the Federal Government. Quite recently there was published in the Seattle Sun an article setting forth an announcement made by Stanton G. Smith, United States forest supervisor, detailing a splendid gift to the people of Everett, Wash., and vicinity, in the form of watershed and water-power rights of almost inestimable value. Such gift would have been impossible except for conservation policies which have prevented alien investors from grabbing these assets. Here is the statement of Mr. Smith:

The city of Everett has just executed a cooperative agreement with the Secretary of Agriculture whereby it obtains, free of charge, the use of the entire Boulder River watershed within the Snoqualmie National Forest. This is the culmination of a long search on the part of the city for a satisfactory water supply, during which all important streams in the region were considered.

The Boulder River watershed embraces more than 13,000 acres of national forest land, extending from the summits of Three Fingers, Whitehorse, and Meadow Mountains down to the lowlands near Hazel, Wash., where the intake of the city pipe line will be located. Forest officers and hunters of big game occasionally penetrate this region. Aside from these, few persons have ever been into this rugged basin, which is practically an unbroken wilderness, isolated by its inaccessibility, and therefore an ideal site from which to obtain a city water supply. Under proper administration there is no danger that the water will become contaminated.

SITE FOR POWER PLANT.

Besides furnishing city water, there is also a possibility for the generation of electricity in a municipal power plant.

By the terms of this cooperative agreement, the Forest Service will continue to patrol and protect this watershed from fire and trespass. The forestry men will report any violations of the city's sanitary regulations on the watershed, as well as any other conditions they observe which seem in any way to tend to contaminate the water.

Trails and telephone lines necessary for the administration of the watershed will be constructed by the Government at no expense to the city. The Forest Service will also plant up any open areas capable of bearing a stand of timber. The primary object of such reforestation is to provide a complete forest cover to prevent sediment being washed into the streams and regulate the run-off, thus making the flow more uniform throughout the year.

The Government carefully supervises all operations conducted upon the watershed and will issue no permits for any purpose that shall in any way threaten the purity of the water. No settlement under the forest homestead act will be allowed by the Government while this agreement is in force.

There are already 1,145 cities and towns in the United States which derive their water supply from the national forests. The protection of the headwaters of important streams is one of the objects for which national forests were established, and the Forest Service, in keeping with this object, welcomes the cooperation of cities in protecting the regions from which their water supply is drawn when that region is a part of a national forest.

By entering into a cooperative agreement of this sort Everett will secure an excellent supply of water for city use and power purposes without the heavy initial expense of actually purchasing the land and the constant heavy expense of protecting it from fire and trespass. In 1909 Seattle, unlike Everett, took steps toward the actual purchase of the Government land in Cedar River watershed, the source of her water supply. This purchase, which would require an investment of a half million dollars, has not yet been consummated, and the great economy made possible through a cooperative agreement with the Government has been brought to its attention. It is expected that several other Sound cities will enter into such agreements as soon as they outgrow their present water supply.

The average citizen in the State of Washington is proud of the fact that he owns part interest in the forest reserves, and the men who fail to recognize that fact are reckoning without their host. Do the workers and others in the East take any pride in the railroad-owned coal mines of Pennsylvania and West Virginia?

I noticed in the New York American of May 8 last the following statement:

COAL DEALERS OF CITY COMBINE TO "FOSTER TRADE."

A combine of the biggest coal dealers of this city was sanctioned yesterday by Supreme Court Justice Davis, in granting a certificate of incorporation to the Coal Merchants' Association.

Nothing is said in the articles of incorporation as to the effect that this association will have on the price of coal next fall, but there is a statement that the dealers have organized "to foster trade and commerce." The articles of incorporation read:

"To foster trade and commerce; to reform abuses relative thereto; to secure freedom from unjust and unlawful exactions; to diffuse accurate and reliable information as to the standing of merchants, other people, and other matters; to procure uniformity and certainty in customs and usage in the retail coal, wood, and fuel business; to settle differences between members; and to promote a friendly interest among those engaged in the said business."

The directors are Michael F. Burns, No. 16 East Sixty-third Street; Grove D. Curtis, No. 512 West Fifty-eighth Street; Olin J. Stephens, No. 125 East One hundred and forty-sixth Street; Thomas F. Farrel, No. 147 West Ninety-seventh Street; Warren A. Leonard, No. 593 Riverside Drive; George J. Eltz, No. 441 West Forty-seventh Street; Frederick H. Willenbrock, Yonkers; John J. Garden, Bozota, N. J.; John W. Bells, Oradell, N. J.; Theodore S. Trimmer, Mount Vernon; Frederick Rheinfrand, No. 306 West One hundred and second Street; H. L. Herbert, Lakewood, N. J.

What is probably the most striking argument in favor of national conservation of public lands is from the report of the Bureau of Corporations made to the President.

Concentration of timberlands in the United States in the hands of a few owners is discussed at length in the second and third parts of the report of the Bureau of Corporations on the lumber industry submitted to President Wilson by Commissioner Davies.

Two men hold 49 per cent of the timber in southwestern Washington, the report says; 5 men hold 36 per cent in western Oregon; 6 have 70 per cent in northeastern California; 10 have more than half of the redwood area; and in north central Idaho 4 holders have 50 per cent.

The main fact shown is that 1,694 timber owners hold in fee over one-twentieth of the land area of the entire United States, from the Canadian line to the Mexican border. In many States of the 900 timbered counties investigated they own one-seventh of the area.

These 1,694 holders own 105,600,000 acres. This is an area four-fifths the size of France, or greater than the entire State of California, or more than two and one-half times the land area of the six New England States. Sixteen holders own 47,000,000 acres, or ten times the land area of New Jersey. Three land-grant railroads own enough to give 15 acres to every male of voting age in the nine western States, where almost all their holdings lie.

Moreover, the States appear to have disposed of the various Federal grants made to them in such a way as to contribute to the concentration of land and timber ownership. Florida is a striking example of this.

The people have learned their lessons, and there is no chance for the men who want to grab these resources under the old plan. We want development, but we will not release our hold on the title to these remaining resources.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LA FOLLETTE. Mr. Chairman, I yield the remaining time on this side to the gentleman from South Dakota [Mr. BURKE].

The CHAIRMAN. The gentleman from South Dakota [Mr. BURKE] is recognized for 20 minutes.

Mr. BURKE of South Dakota. Mr. Chairman, I can not support this bill, and I do not intend to vote for some of the other bills that will be considered under the program adopted by the special rule making in order certain bills known as conservation measures. I am not going to discuss the details of this bill. As stated by the gentleman from Colorado [Mr. TAYLOR], the bill, in the main, is undoubtedly a good measure and has been well and carefully considered by the able Committee on the Public Lands. I am opposed to the bill because I am not in favor of the policy that this kind of legislation proposes.

In order that my position may not be misunderstood, I want to say that I am in favor of real conservation, conservation that means the least practicable waste consistent with the greatest practicable use. I am opposed to monopoly in any form, but I believe monopoly can be controlled, if not prevented, by legislation declaring certain combinations of capital and acts unlawful, and by providing severe penalties for violations of the law, and that it is quite within the power of each State to suppress or destroy monopolies within its borders, and particularly so far as controlling and regulating its natural resources are concerned.

I am opposed to any policy that contemplates the leasing for a considerable period any portion of the public domain for any purpose, believing that it is in conflict with the theory of the policy that has heretofore obtained in the United States, which has been to pass the public lands and national resources into private ownership, thereby subjecting them to taxation within the State where located, which is fundamentally essential if the State is to prosper.

The conservation advocated by those who assert that they are the only true friends of conservation contemplates that the Federal Government shall retain and control all the natural resources, which can only result in a powerful bureaucratic policy, carrying with it innumerable positions with large salaries and perquisites and affording opportunities for unlimited graft.

An article recently appeared in a publication known as Mining Science, by Mr. Chester T. Kennon, a mining engineer, who resides in Colorado, and it being apparent that he has given the subject close study, and believing that what he has said is appropriate at this time, I will read the article, and I invite the careful attention of the House to what Mr. Kennon says:

"PREDATORY BUREAUCRATS AND THE LEASING SYSTEM.

"[Chester T. Kennan, M. E.]

"No system of true conservation or good government requires that our citizens be made tenantry of a governmental landlord.

"The land and natural resources alone make possible industrial and commercial existence of the individual State; they constitute its first capital and stock in trade, upon which it must conduct its business and development and maintain a government 'republican in form,' as required by its act of admission as a State.

"The right of taxation is so necessary and fundamental that a sovereign State without it can not continue. To the latter imperative end, and to place the new States on an equal footing with the original States, and to provide that ours be a Nation of home owners, it has been this Nation's policy from the beginning to pass the public lands and national resources into private ownership, private control, and private development.

"It is the plain duty of every citizen to assert, and the courts to maintain, the sovereignty of the State in conformity with that article of the Federal Constitution which provides that 'the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.' It is, therefore, the manifest right of every citizen to demand government by the people rather than by bureaus of the Central Government; and in so far as the constitutional power of regulation in these respects is vested in the several States it is fundamental and imperative that it be not divested or invaded.

"The acts of Congress admitting the public-land States to the Union contain the declarations which are taken from the ordinance of July 13, 1787, including the following provision: 'The State of ——— shall be one and is hereby declared to be one of the United States of America, and admitted into the Union on an equal footing with the original States in all respects whatever.'

"It is also provided in such acts of admission of new States that 'they shall never lay any tax or assessment of any description whatever upon the public domain.'

"Neither the United States nor any State has the power to do any act or pass any law which will create inequality between the States, and any attempt on the part of either to do so is void and of no effect, ab initio. (39 Fed. Rep., 730; 9 Peters, 224; 15 Peters, 449; 104 U. S., 621; 146 U. S., 387; 152 U. S., 387; 164 U. S., 240; 168 U. S., 349; 176 U. S., 83, 87; 187 U. S., 479, 483; 190 U. S., 508, 519; 198 U. S., 371; 198 Fed. Rep., 539.)

"The United States alone has no power to create unequal States by Executive act, by law of Congress, or by judicial interpretation of those laws, and all of such attempts are void. (198 Fed. Rep., 539.)

"In 1845 the United States Supreme Court, in the case of Pollard's Lessee *v.* Hagan (3 How., 212), decided and laid down as fundamental law of the land 'that the transaction between the United States and Virginia and Georgia and the Louisiana Purchase constituted a contract and created a trust, under which the United States secured control of the public lands to pay the public debts by bona fide disposing of them in order that new States might be erected, which should be equal in every respect to the original States; that the United States holds the lands for temporary purposes only, and in trust for the States where they lie; and that until the lands were disposed of by the United States the new State was not on a footing of equality with the original States.'

"As late as May, 1911, the United States Supreme Court, in the case of Coyle *v.* Oklahoma (221 U. S., 559), quotes the above case of Pollard's Lessee *v.* Hagan with approval and reaffirms the perfect equality of the State in relation to the United States.

"The United States Government holds the public domain in trust (not in fee). What each citizen, therefore, owns in the public domain is his right to acquire a segment of it if he chooses so to do. Congress has no power to authorize the Central Government to seize the title in fee and perpetuity and rent the lands to the people.

"The status of our public-land system now is, and always has been, that the Central Government holds the public domain temporarily and in trust, to be erected into sovereign States upon an equal footing with the original States in every respect; to afford equal opportunity to every citizen to acquire a home; and to be disposed of at nominal prices to private ownership, in order that the Central Government might, as speedily as possible, retire as a landlord from the several States. The people have always emphasized that the Government should not hold the public lands, even in trust, any longer than absolutely necessary to systematically and equitably pass them to private ownership. The day has long gone by when it was thought right or justifiable that the king, government, ruling classes, or bureaucrats should own and control the land in perpetuity and rent it to the people.

"Under this beneficent, enlightened democratic land system we have reared the leading and most progressive Nation of the world.

"The bureaucrats, or 'conservationists'—under the latter alias they seem to prefer to operate—now demand that our established system of land tenure be subverted, and our form of government in a vital principle revolutionized.

"They are now conjuring Uncle Sam to be a traitor to his trust, to embezzle the 'trust fund,' to become the most royal, selfish landlord this world has ever witnessed, to seize soil within the States in perpetuity, free from taxation, to rent the land to his tenant vassals, to deny public-land States equality with the original States, to destroy their sovereignty, make them provinces, and draw a line around the western third of the United States and denominate it on the map, 'Ireland of America—doomed forever to fight for "home rule."'

"Manifestly, their scheme is not progressive, but reactionary at least 1,000 years.

"Any form of conservation which fails to take into account the rights and needs of the present generation evidently does not cover the whole field and has no place in this country.

"True conservation may be defined as the least practicable waste consistent with the greatest practicable use.

"Conservation is a technical and scientific subject, while the ownership and passing of title to the public land is a political and sociological subject, and the two have no necessary connection; yet, while sailing under the fair banner of 'conservation,' our bureaucrats have attempted to create and take over to themselves the most gigantic land monopoly this world has ever witnessed—already having under their control in forest reserves, withdrawals, etc., near 200,000,000 acres, an area greater than many kingdoms of Europe combined.

"An example of true conservation is presented by the management of our great stockyards, where every conceivable part of the slaughtered animal is saved and placed to a fitting use. The

great modern coal-coking plants and large petroleum refineries are striking examples of conservation, by saving a vast number of by-products that would otherwise be wasted or not placed to their most valuable use. Every advance in metallurgical processes which enables us to more cheaply extract metals from their ores and thereby utilize lower grades of ore at a profit is a long step in the field of true conservation. Life-saving and labor-saving devices and the protection of property from destruction and waste by fire are legitimate and worthy forms of conservation.

"But unmindful of the truism so pertinently expressed by President Wilson, that 'conservation is not reservation,' our bureaucrats have practically ignored conservation and devoted all their energies to reservation, seeking to reserve under their own control all the public domain and its natural resources as against the public-land States and the people, until we are now burdened with the omnipresent forest reserves, park reserves, military reserves, naval reserves, coal reserves, water-power reserves, missionary reserves, Government reserves, school reserves, bird reserves, and archæological reserves, and then they withdrew practically all the balance of the desirable lands from market under the pretense of 'classification'; and now they are introducing bills in Congress to accomplish their final coup d'état by having the Government seize title to the public domain in fee and perpetuity, and lease it to the people, the bureaucrats at last firmly in the saddle as administrators of the grand feudal empire.

"During the sinister progress of this long-drawn-out campaign for bureaucratic autocracy the musty air of medieval tyranny has become ever thicker and more suffocating to western nostrils, consistently with their purpose, the most strenuous effort of the bureaucrats have been exerted to retain the public domain in a state of nature, to prevent development, and to prevent the public lands from passing to private ownership until such time as they could prevail upon Congress to have the central government seize the public domain in fee and rent it to the people and make the bureaucrats administrators of the vast estate.

"What coterie of politicians, pray, would not like to be administrators of such vast empire, with power, salaries, perquisites, patronage, and opportunities for graft unlimited?

"While each State has all the power to suppress or destroy monopoly within its borders that the central government has within its sphere, yet while striving to create the greatest land monopoly that ever existed, the most popular slogan of the bureaucrats has been that only their plan could prevent monopoly of the public domain. Even if we had no special statutes in this behalf, monopoly could be suppressed or destroyed under the common law of England.

"Would it not be timely and apropos for our lawmakers at Washington now, while they have their hands in at investigating and dissolving 'trusts,' to investigate this one, the greatest and most noxious of them all—the public-domain trust of the United States—now hatching on the floors of Congress?

"There appears to be no limit to the legislative power of these autocrats of the bureaus. They boldly occupy the 'twilight zone' between State rights and the rights and powers of the Central Government, and to enforce their bureau-made laws have inaugurated a reign of terrorism in the Western States through an organized army of many thousands of men, including forest rangers, petty officers, mineral examiners, general solicitors, special solicitors, attorneys, press agents, statisticians, common spies, muckrakers, lecturers, detectives, secret-service agents, affidavit gleaners, collectors of rents and bills and royalties, star-chamber courts, etc. While we are compelled to admit that the spy system of our bureaus is now the finest in all the world—not even that of Turkey or Russia excepted—in simple justice to the American people we are gratified to state that the people are not proud of it. We are bowed down with humiliation and shame that such a glaring example of monstrous tyranny and oppression has gained a foothold on American soil.

"We should not now turn our backs upon our enlightened form of government and, at the bidding of these purely political 'conservationists' for gain, retrace our steps to feudal times and conditions. We should not drift from the principle of encouraging the individual, the small owner, and the home, but if occasionally there are abuses, or men file upon land wrongfully, let the individual case be punished under the established laws of the land.

"Under the leasing system we would have the feudal condition of a portion of our citizens being freeholders and freemen and another portion being tenantry and serfs of the ruling landlord. We would then have on American soil the political spectacle of one portion of our citizens paying taxes to maintain an ancient form of government over another portion.

"The Western States hold that it is the just prerogative of each State in the Union to adopt such system of true conservation of the resources within its borders as may best suit the needs and purposes of its people, exercising therein such practical economy in behalf of future generations as may by each State be deemed wise and provident.

"As an illustration Gov. Ammons has well pointed out that the leasing system would mean, in effect, that Colorado would ultimately pay into the Federal Treasury on coal alone, figuring the present highest rate of royalty, the enormous tax of $37,100,000,000, while it would pay annually on water power alone, when fully developed, twice as much as it now collects in State taxes for all purposes.

"The people realize and keenly appreciate that there is a wide distinction between the act of two citizens equal under the law making a contract of lease between themselves and the ruling landlord, who is also the lawmaker, contracting or forcing a contract with his tribute payer under the law. It is a luminous fact in history familiar to all that whenever a government and its officials became vested with the resources of the people and their opportunities to make a living, the people were no longer free and that form of government was doomed to eventual, if not speedy, wreck.

"The experiment of governing people through the soil has been often tried, but never with ultimate success. The man who says it should now be tried, whatever he may call himself, is a socialist, pure and simple; but he is too late with his doctrine in this country, unless he proposes that Uncle Sam seize the title in fee to the whole area of the United States and lease it all, so that we shall all be on an equal footing. Abraham Lincoln said: 'Tell the people the truth, and the Nation is safe.'"

Mr. FERRIS. I yield five minutes to the gentleman from Colorado [Mr. SELDOMRIDGE].

Mr. SELDOMRIDGE. Mr. Chairman, the platform of the Democratic Party in the State of Colorado in 1912 emphatically declared the opposition of the party to a policy that would extend and enlarge the control of the Federal Government over the natural resources of the State. That declaration was afterwards ratified and indorsed by the legislature of the State, in the form of a memorial addressed to the President and to this Congress. Many of the commercial organizations of the State, without regard to party, have united in protest against the continuation of a policy which leads to an increase and enlargement of Federal supervision of our natural resources. This bill and others to follow it are seeking to reconcile interests which have been and are now more or less antagonistic. We are trying to retain governmental ownership, governmental supervision, and governmental inspection over all the ramifications of operation and development of water-power sites, and at the same time we are trying to offer to private interests attractive inducements to embark in enterprises over which they will not have absolute control, so far as ownership is concerned.

Having lived for 35 years in the West, having witnessed the growth of my State from comparatively small beginnings but with unlimited resources to a State of most opulent wealth, of diversified resources, and of enlarging commerce and industrial activity, all of which have come from individual energy and the investment of private capital, I contend that there is not the necessity for this legislation that is said to exist.

I believe that these conservation measures, so called, will be enacted into law. I believe that the temper of the country has been so stimulated and exercised by those favoring enlargement of Federal power that opposition to these measures will prove unavailing. But those of us who are familiar with the conditions that exist in the States which are to be affected by their operation would certainly be derelict in our duty to our people if we did not register here our belief that this bill will be inoperative and ineffective, and will not accomplish the purposes for which it has been introduced, and for which its passage is advocated.

I am in hearty sympathy with the thought and purpose back of this bill, to increase development, to add to the wealth of the country, to bring about activity in all lines of industry and of agriculture; but, Mr. Chairman, I believe that a policy which seeks to control and circumscribe the activities of the individual, and to place a limit to his legitimate endeavor and industry, will not accomplish the end desired. When this bill is being considered under the five-minute rule I believe there will be amendments proposed that will improve the bill and make some of its provisions more liberal in their terms. We certainly desire that it will bring the results which its friends assert will follow its passage.

We heartily commend the efforts which are being made by the head of the Interior Department and the officials associated

with him in its administration to wisely administer the great interests committed to that department. The westerner will join hands with his fellow citizens in other sections of the country to prevent in every way the monopolization of the natural resources of the country, but he has not reached the conclusion that this can only be prevented through continued governmental ownership and bureaucratic administration. Our experience with the conflicting jurisdictions of the various departments and the interminable delays in reaching conclusions in matters of individual and of somewhat minor importance justify the belief that where larger matters are involved affecting the interests of communities and States the processes of administration will be equally unsatisfactory. We desire to approach this matter sympathetically and without prejudice. We realize that we must be reconciled to the policy proposed in this and other bills. We will endeavor to work out our problems of development as best we can under limitations not of our choosing, and will cooperate to the fullest extent with those officials of the Government whose purpose it will be to interpret and administer this law. There has been a remarkable development of hydroelectric energy in the West under private agencies. Some of these private corporations have required the investment of millions of capital in the construction of their plants and equipment before receiving a dollar of revenue. Their rates are subject to State regulation and their property is subject to State and Federal taxation. It is proposed by this bill to lease water-power sites to corporations for a fixed term of 50 years, and during the period of the lease control and regulate the price of their product. Can there be open and free competition between corporations whose rights are only those of lessees and those who enjoy all the privileges that come with ownership and the opportunity to plan for increased future development? A lessee will not give to the property of another that same degree of care and development that he will give to his own. He is only concerned in keeping it up to meet his immediate purposes, and we have a right to expect under the provisions of this bill that plants operating under Government leases will only be operated with the minimum of expense and capital in view of the tenure of the lease and the regulations imposed. I will admit that it has been a difficult matter to frame a constructive measure of this character and keep it in line with so many divergent views. Time will demonstrate its necessity and experience will be the guide for future legislation affecting this great field of power development.

Mr. FERRIS. I yield 15 minutes to the gentleman from New Mexico [Mr. FERGUSSON].

Mr. FERGUSSON. Mr. Chairman and gentlemen, before referring to the notes of what I want to say I want briefly to refer to the point made by the gentleman from Illinois [Mr. MANN]. My respect for the integrity as well as the penetration of his mind gave me great concern when he made the point that the bill is shadowy on this important question of where the control is to be lodged, where it shall be under State control and where to be under Federal control. I have since carefully read both section 3 and section 9. Section 3 is devoted to the proposition of providing that Federal control shall be absolute where the power plant producing the hydroelectric power or any of its lines of distribution is in two or more States. To insure completely no uncertainty on that point, section 9 looks at it from the obverse standpoint, and is devoted to enacting the proposition that as to such plants with appropriate transmission lines as exist within one State the State shall have control, but the Federal power shall have control as to one State when that State has no machinery enacted by the State for the exercise of such power; and that as soon as such State provides for State control by State commission, say, the power passes from the Federal Government in such State to the machinery for control provided by such State, similar to State railroad commissions to-day for regulation of intrastate railroads.

This is such an important point in my mind that if the gentleman from Illinois or any other Member proposes an amendment to correct any uncertainty I will be very glad to support it. Perhaps the committee will do that. I want to say for the committee that we discussed that exhaustively and we concluded that the two sections taken together make it absolutely beyond any doubt; but if there is doubt, I will support any amendment that will make it as clear as anybody may desire.

Mr. Chairman, the main reason why I sought time to speak a few words upon this bill is this: The absolute necessity to do something. Our cities are crowded with people who want homes. There is absolutely no doubt that every measure that will tend to develop the great semiarid West and make it a populous and wealthy country ought to have the support of everyone in this House, whether he come from the West or from the East, and we ought to enact legislation that will tend to develop and populate the West. It is absolutely necessary to do that for the weal of the Nation, as well as the prosperity of the States of the mountainous West. Another reason is the question of the fact of conservation, and that it has come to stay. That is where I differ from my friend from Colorado [Mr. TAYLOR] and those others who say that they want all this matter of conservation to die, and they believe it will in 8 or 10 years. I differ wholly from that proposition. The lesson of the trusts and the monopolies that control such a large section of the oil-producing lands, the coal lands, and the timberlands, the sentiment that exists all over this country, that helped to split the Republican Party more than almost any other one thing, and that has animated the Democratic Party with such enthusiasm that it has captured the Government, is that private monopoly must be destroyed and such natural resources—hydroelectric power, coal, timber, and so forth—shall be held from private ownership and administered under Government control for the general good. The wrongs that private monopolies have perpetrated on the people, the suffering of one single man and his wife and family because of outrageous acts of the Coal Trust or others of the monopolies, have made it certain that conservation in the true sense of the word has come to stay.

That being true, all these resources yet owned by the Government, the lands controlling hydroelectric power, the lands containing coal, the timberlands belonging to the Government and not yet taken by the railroads and other corporations by a system of robbery that is almost incomprehensible, insures us that conservation is here, and the lessons taught by the frauds practiced to acquire such immense holdings will not be forgotten for generations to come. Therefore something must be done to make the remaining natural resources of use to the people. All of these power sites for the production of hydroelectric power have been withdrawn from private entry in pursuance of that conservation idea that is here to stay. All of the coal still belonging to the Government has been withdrawn from private entry for the same reason; all of the timber belonging to the Government has been withdrawn from private exploitation for the same reason. What greater question confronts the statesmen of this House than this?

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. FERGUSSON. Yes.

Mr. JOHNSON of Washington. The gentleman truthfully says that this is one of the greatest questions that confronts the House. Does he not think that it would be advisable to have a few more than 25 or 30 Members of Congress listening to him expound that question?

Mr. FERGUSSON. I will say that my embarrassment decreases in proportion to the number of Members present, if the gentleman desires to know.

Mr. FERRIS. Oh, I hope the gentleman will not make the point of order of no quorum, but will let us go through. We allowed two speeches on the other side that were outside of the rule, and no one made the point of order.

Mr. JOHNSON of Washington. I am willing to leave it largely with the gentleman having the floor. If he feels that he ought to have a quorum here to listen to his statement of what he thinks is the most important bill before the House, I will undertake to get it.

Mr. FERGUSSON. I prefer to finish.

Mr. JOHNSON of Washington. Very well.

Mr. FERGUSSON. Mr. Chairman, one of the main points that I want to call attention to is that not only must we enact some such law now, but that we have done our best in the Public Lands Committee to frame a law that will be satisfactory. For weeks and weeks and days and days we have heard all sides of the question. The whole public service in the Interior Department urges the passage of this bill. Something must be done. Leave it as it is; leave us in the West locked up from the proper use and development of our resources, or enact some such law as this.

Mr. JOHNSON of Washington. Does not the gentleman think it fair to presume that the West has come to be absolutely locked up simply through the absence of a quorum in the House of Representatives at times in the past?

Mr. FERGUSSON. Oh, I beg the gentleman to allow me to finish. I will be through in a short time. I am not going to take the time allowed me by the chairman. There is necessity for this legislation. This is a great, new subject. I do not doubt that it is subject to criticism from such a mind as the minority leader exhibits daily on this floor. I do not doubt that there may be features that do not appeal fully to a great many men here, but it is a start. Take it up under the five-

minute rule, and where it is defective we will help you fix it so that we may pass it.

Consider the great blessing that it will be. There are mines of gold and copper all over the West that can not be developed because the grade of the ore is too low to admit of the kind of expense necessary—$20 a foot to sink a shaft in a gold or silver vein when the power has to come either from the miner driving his drill by hand or from power produced by burning coal, with longer drills. Think of the power of the electricity and the amount of it that can be produced in the West, in the Rocky Mountain region. Take my State. The northern line is practically from sixty-five hundred to seven thousand feet above the sea level, while the southern line is practically, in round numbers, about three thousand above sea level.

The flow of water through the mountain gorges is rapid. There are numberless places where little dams can be built by a small company for the purpose of irrigating, for the purpose of driving drills in the mine, for the purpose of driving machinery, for the purpose of running mills, for the purpose of great reduction works of copper, of silver, of gold. Not only that, but Maj. J. W. Powell, in a powerful paper, a long time ago, stated simply and briefly the configuration of that country. When I was a child I supposed the Rocky Mountains was a great big ridge of mountains running a little south of east throughout the country from Canada down to Mexico and South America. In fact the Rocky Mountains is a great plateau, a hundred miles across, and more in some places, but 50 miles across almost everywhere. There are single mountain peaks rising there 12,000 feet above the sea, and there are hundreds of ranges that have a general tendency of running northeast and southeast, and between them there are sloping plains, and Maj. Powell called attention to the fact that there is water underlying all of these plains at varying depths; that in some places artesian water could be obtained at 500 feet.

You go 500 feet in depth and you can find water anywhere in that great Rocky Mountain region. Now, by cheaply placing water on these lands, these great sloping plains, they can be made into homes for the people even where the water is hundreds of feet below the surface. Cheap hydroelectric power will solve the problem. The pumping of water for farming purposes from any but shallow depths is prohibited at present by the cost of pumping. From the great rains in the rainy season in those mountains and the melting of the immense snows that cover the mountains during the winter immense bodies of water have accumulated under the porous soil of the plains, and cheap hydroelectric pumping will insure a wonderful agricultural development in the Rocky Mountain region.

Thus, with cheap power from the electricity that can be produced from these streams falling hundreds of feet per mile, in many places, through the narrow mountain gorges where dams can be built cheaply, consider the great impetus to the development of the mines of the West, the development of the lumber forests of the West, the cheapness with which all machinery can be worked, the lighting of municipalities, street car development, and so forth. Why leave all such resources locked up and useless? Why hesitate, you people of the East? I know that there have been great wrongs produced all over the West in many years of the past, when these timber companies, for instance, were getting control of vast areas by hiring men to go and locate on 160 acres which they then transferred to the big corporations. Therefore a sentiment has been created that still permeates the East largely—that everything we do in the West is fraudulent. Ah, my friends, many men were tempted by big money to make these entries and falsify and perjure themselves in making them.

Now the people are land hungry. I know them personally. I have lived for years among them and practically traveled all over that section of country. Ninety-nine out of one hundred men who go there now seeking homes are driven there by a hungry wife and children; or, if alone, driven by a commendable ambition to own his home, to get later a wife to grace that home for him. So, my friends, I say to you to-day that if our Committee on the Public Lands, tackling one of the greatest questions that is before Congress and before the country to-day, if we have not developed that statesmanship to produce a proper bill, in view of the necessity for some bill, I implore you to help us, under the five-minute rule, to perfect it, because we need it, the country needs it, the West needs it, the whole United States needs it to furnish homes for its surplus population. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FERRIS. Mr. Chairman, like all other questions, this question has two distinct phases. There are those people on the one side who do not think the old policy of land as land should continue, but that the water-power interests of the country should be preserved intact by the Federal Government and in the public interest lease them for a fixed term of years under proper regulation for the benefit of the development of the West and the people generally. On the other side stand the water-power people and usually with them the people who believe that water-power sites ought to go into private ownership as distinguished from Government control and proper regulation. It is their thought that any regulation that is imposed upon water power in the West is antagonistic to their interests, and so forth. I live in the West; every penny's worth of property I have or interest is in the West, and I shall not now nor in the future advocate anything that in my judgment is striking a blow at or retarding the best interests of the West. On the contrary, I want the West to be all that we think it ought to be and will be, and I want to see the West progress and go ahead by leaps and bounds. Therefore, if there be a momentary difference among us, the only one is how to be able to help that development of the West. I again repeat there are already water-power interests intrenched in the country, so much so that 24 holding companies and 27 operating companies own 90 per cent of all the water power. The 24 companies are powerful enough now. We do not want the rest of the power to reach their hands, in private ownership at least.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. FERRIS. I will yield further to the gentleman.

Mr. JOHNSON of Washington. Do the gentleman's remarks refer to water-power decisions on the public domain or to something we have attended to in the general dam act?

Mr. FERRIS. The general dam act has to do with navigable waters and this has nothing to do with them.

Mr. JOHNSON of Washington. Then why harp on its arguments? In view of the statements which the gentleman has just made, as to what he never would do against the West, I want to ask if he remembers his fight on the building of the Alaskan railroad, and which was a fight against western development?

Mr. FERRIS. I did so oppose the railway bill. I thought that I was performing my conscientious duty at that time, because there were not enough people in Alaska to justify a $35,000,000 appropriation. I may have been in error, or the gentleman may have been in error. Time will tell. Personally, now that it is done, I hope I was in error, for there never was any glory to me to say, "I told you so." Anyway, the Congress has decided that question, and I shall not debate it now. The chief objection on the part of some of the gentlemen who have spoken is to oppose and rail against the Government having anything to do with the handling of its own property. For myself, I believe the Government has the right to do what is best for its people with its own property, and any objections or opposition notwithstanding.

Mr. OGLESBY. I want to say to the gentleman that there is something that is very interesting to my people, and I was going to ask him if he would explain his position on it. I do not want to take up his time.

Mr. FERRIS. I want to refer to a few specific things here, and then I will get to it if I have sufficient time. The second chief objection to this bill is the fact that it provides a charge for the water power that is to be generated on Government property under the lease. I call the attention of the House to the fact that that question is res adjudicata. The Sherley amendment dealt with that and was squarely voted on as a part and parcel of the Adamson bill. Both sides of this House, including all three parties, marched through the aisle and said that we should not give away without charge the water power of this country.

And for gentlemen to rail against this bill because there is a similar provision in it for a charge falls flat. What is the situation? Under the existing law we have the act of 1901, known as the revocable-permit law. Secretary Lane, himself a western man, who has had to do with the development of water power, says the revocable-permit law is not sufficient and does not bring the best results. Ex-Secretary Walter I. Fisher, a well-known and brilliant authority on water power, says it is not sufficient, is a stumblingblock to progress and so forth. Ex-Chief Forester Gifford Pinchot, a known authority, and a man who thinks almost in advance of his time, says the revocable-permit law is not sufficient. Ten or twelve engineers and financiers from New York and the West appeared before our committee, and they said that the existing revocable-permit law is not sufficient. Who says it is sufficient? Only those who want to break down progress and keep down development, so that

the selfish water-power interests that are already intrenched may go ahead and charge exorbitant rates. It is sometimes, and oftentimes, unpopular to advocate something in behalf of the Government, something in behalf of the people, but it is some one's duty, somewhere, to advocate the Government's side and the people's side, and so far as I am concerned I am willing to abide the consequences and advocate that side. [Applause.] I know that in certain congressional districts it is popular for the Congressmen to recite that he swindled the Government out of everything he could for his particular district, but for me and mine we believe it a broader standard of citizenship and statesmanship and patriotism to advocate something in the people's interest, something in the Government's interest. They are our people; it is our Government.

I call attention to the fact that in a single year the manufactured products produced from water power amounted to $17,000,000,000, seven times the receipts of all the railroads of this country. The question is not a small one. The question is not a local one. The question is not a private snap, but the question is a burning question that will grow upon us, that will in largeness pass beyond our fondest hopes in the immediate future. Every line of this bill should be carefully scrutinized; every line of this bill should be carefully looked into.

The best lawyers on the Republican side, the best lawyers on the Progressive side, and the best lawyers on the Democratic side are not too busy and are not too great in their knowledge of the law to give a little time to getting a good bill here that will develop the country in the interest of the people. And when the bill that has already passed, that had to do with navigable waters, comes back, it will again be the duty of all parties and all men to see to it that it is still a good bill. And when this bill passes and goes to the Senate, and passes over there, as I believe it will do, we ought to scan closely every line of it and see that it is still a good bill in the interest of the people. Some of my dearest friends in the House are from the West and are of the opinion that we are trying to do something wrong to the West. I assert no such thing is intended, and deny that any such effect will result. It is a misconception. I assert that this legislation will do more for the West than they know how to do for themselves. I again repeat that it is sometimes popular, it is sometimes true, that a Member of Congress can rail against the Federal Government, can decry the good offices of the Federal Government, and teach the people to hate the Federal Government; but, so far as I am concerned, I am not in the business of teaching my constituents to hate the Federal Government. I prefer to teach them to respect and love the Federal Government. I feel that the latter would be a more golden mission than the former and in the end would leave a better taste in our mouths.

Mr. JOHNSON of Washington. In view of the gentleman's statement that he might be able to do more for the people of the West than they could do for themselves, I want to ask him if he remembers a statement in the speech he made in Tulsa, Okla., that there have been four Secretaries of the Interior here who——

Mr. FERRIS. Whatever the gentleman may read out of my speeches on the stump that day does not necessarily express my views on this day. They are, however, already in the RECORD, and I will abide by any indictment the two speeches may inflict; whatever I say to-day and whatever I said then, will both be in print. I did not then, and I am sure I do not now, advocate the giving away of the Nation's assets. I am for conservation, and this bill is in the right direction.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Washington [Mr. JOHNSON] makes the point of order that there is no quorum present. The Chair will count.

Mr. JOHNSON of Washington. Mr. Chairman, I withdraw the point of order for the present.

Mr. BRYAN. Mr. Chairman, I understand the gentleman only withdraws it for a few moments. If the gentleman is going to withdraw it now, only to renew it again in a few moments, I shall make the point of order myself. I would rather the gentleman should make it now.

Mr. FERRIS. Mr. Chairman, I have concluded my remarks. I ask for the reading of the bill for amendment.

Mr. MANN. If the gentleman from Oklahoma is through, I will make the point of order myself.

The CHAIRMAN. Does the gentleman from Oklahoma yield the floor?

Mr. FERRIS. I do, Mr. Chairman; and I ask for the reading of the bill.

Mr. MANN. I make the point of order, Mr. Chairman,

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] makes the point of order that there is no quorum present. The Chair will count.

Mr. MANN. I think it is only fair to notify the Members that the bill is about to be read for amendment.

The CHAIRMAN (after counting). Seventy-one Members are present—not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aiken	Elder	Knowland, J. R.	Platt
Ainey	Esch	Konop	Plumley
Anthony	Estopinal	Korbly	Porter
Ashbrook	Evans	Kreider	Post
Aswell	Fairchild	Lafferty	Powers
Austin	Falson	Langham	Ragsdale
Barchfeld	Fess	Langley	Rainey
Bartholdt	Fields	Lazaro	Reilly, Conn.
Bartlett	Finley	L'Engle	Riordan
Bathrick	Flood, Va.	Lenroot	Roberts, Mass.
Beall, Tex.	Fordney	Lever	Rothermel
Bell, Ga.	Francis	Levy	Rupley
Borland	Frear	Lewis, Pa.	Sabath
Brodbeck	Gard	Lindbergh	Saunders
Broussard	Gardner	Lindquist	Sells
Brown, N. Y.	George	Linthicum	Sherley
Brown, W. Va.	Gillett	Lobeck	Shreve
Browne, Wis.	Goeke	Loft	Sinnott
Browning	Goldfogle	Logue	Slemp
Bruckner	Gordon	McAndrews	Smith, Md.
Brumbaugh	Gorman	McClellan	Smith, Minn.
Buchanan, Tex.	Goulden	McGillicuddy	Smith, N. Y.
Bulkley	Graham, Ill.	McGuire, Okla.	Stanley
Burke, Pa.	Graham, Pa.	McKenzie	Steenerson
Byrns, Tenn.	Griest	Madden	Stephens, Miss.
Calder	Griffin	Mahan	Stephens, Nebr.
Callaway	Gudger	Maher	Stephens, Tex.
Caraway	Guernsey	Manahan	Stevens, N. H.
Carew	Hamill	Martin	Stringer
Chandler, N. Y.	Hamilton, Mich.	Merritt	Switzer
Clark, Fla.	Hamilton, N. Y.	Metz	Talbott, Md.
Claypool	Hardwick	Montague	Taylor, N. Y.
Coady	Hawley	Moore	Treadway
Copley	Hayes	Morgan, La.	Tuttle
Covington	Heflin	Morin	Underhill
Cramton	Helgesen	Moss, Ind.	Vare
Crisp	Henry	Mott	Vaughan
Crosser	Hinds	Murray, Okla.	Vollmer
Dale	Hobson	Neeley, Kans.	Volstead
Decker	Howard	Neely, W. Va.	Walker
Deitrick	Howell	Nelson	Wallin
Dent	Hoxworth	O'Hair	Walters
Dershem	Hughes, Ga.	O'Leary	Watkins
Dickinson	Hughes, W. Va.	O'Shaunessy	Weaver
Dies	Hulings	Padgett	Whitacre
Difenderfer	Jacoway	Palmer	White
Dixon	Johnson, S. C.	Parker	Willis
Dooling	Johnson, Utah	Patten, N. Y.	Winslow
Doolittle	Jones	Patton, Pa.	Woodruff
Doremus	Kennedy, Conn.	Peters, Me.	Woods
Driscoll	Kennedy, R. I.	Peters, Mass.	
Dunn	Kent	Peterson	
Dupré	Kiess, Pa.	Phelan	

The committee rose; and the Speaker having resumed the chair, Mr. FITZGERALD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill (H. R. 16673) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, whereupon 224 Members, a quorum, had answered to their names, and he presented therewith a list of the absentees to be printed in the RECORD and Journal.

The SPEAKER. The Chairman of the Committee of the Whole House on the state of the Union [Mr. FITZGERALD] reported that that committee having under consideration the bill H. R. 16673, and finding itself without a quorum, he had directed the roll to be called, whereupon 224 Members, a quorum, had responded to their names, and he presents a list of absentees for publication in the RECORD and Journal. The committee will resume its session.

The committee resumed its session.

The CHAIRMAN. General debate is exhausted. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized and empowered, under general regulations to be fixed by him, and under such terms and conditions as he may prescribe, not inconsistent with the terms of this act, to lease to citizens of the United States, or those who have declared their intention to become such, or to any association of such persons, or to any corporation organized under the laws of the United States, or any State or Territory thereof, any part of the lands and other property of the United States (including Alaska), reserved or unreserved, including lands in national forests, national monuments, military and other reservations, not including national parks, for a period not longer than 50 years for the purpose of constructing, maintaining, and operating dams, water conduits, reservoirs, power houses, transmission lines, and other works necessary or convenient to the development, generation, transmission, and utilization of hydroelectric power, which leases shall be irrevocable except as herein provided, but which may be declared null and void upon breach of any of their terms: *Provided*, That such leases shall be given within or through any of said national forests, military

or other reservations only upon a finding by the chief officer of the department under whose supervision such forest, national monument, or reservation falls that the lease will not injure, destroy, or be inconsistent with the purpose for which such forest, national monument, or reservation was created or acquired: *Provided further*, That in the granting of leases under this act the Secretary of the Interior may, in his discretion, give preference to applications for leases for the development of electrical power by States, counties, or municipalities, or for municipal uses and purposes: *Provided further*, That for the purpose of enabling an applicant for a lease to secure the data required in connection therewith the Secretary of the Interior may, under general regulations to be issued by him, grant a preliminary permit authorizing the occupation of public lands valuable for water power development for a period not exceeding one year in any case, which time may, however, upon application, be extended by the Secretary if the completion of the application for lease has been prevented by unusual weather conditions or by some special or peculiar cause beyond the control of the permittee, the tenure of the proposed lease and the charges or rentals to be collected thereunder to be specified in said preliminary permit, and such permittee upon filing an application for lease prior to the expiration of the permit period shall be entitled to a preference right to lease the lands embraced in the permit upon the terms, conditions, and limitations authorized by this act.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from California [Mr. RAKER] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend, page 1, lines 1 and 2, after the word "is," in line 1, by striking out the words "authorized and empowered" and inserting in lieu thereof the word "directed."

Mr. MANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. Where does this amendment come in?

Mr. RAKER. On page 1.

Mr. MANN. I make the point of order that the gentleman can not amend the enacting clause in that manner.

Mr. RAKER. It is on lines 3 and 4.

Mr. MANN. Just so that we locate it, I do not care.

Mr. RAKER. I hurriedly wrote it. I ask, Mr. Chairman, to modify the amendment. It should be on lines 3 and 4.

The CHAIRMAN. The gentleman from California asks unanimous consent to modify his amendment by correctly describing the place for its insertion. The Clerk will read.

The Clerk read as follows:

Page 1, lines 3 and 4, after the word "is," in line 3, strike out the words "authorized and empowered" and insert in lieu thereof the word "directed."

Mr. RAKER. This was one of the matters that was contested from the beginning of the hearings until their completion, and while I, as a member of the committee, am in favor of this bill as a general proposition, as to practically all of its provisions, this one condition was discussed thoroughly by the committee. I do not know whether I would be violating any of the rules of procedure by referring to what transpired in committee by saying that the amendment was lost by a 7-to-8 vote. That is, there were 7 for it and 8 against it. I may be outside the rule—I do not wish to violate the rule—but I thought it would be of benefit to the House to know that.

I want to call the attention of the House to this fact, that every man who had experience in water power, who had experience in the development of water power, and who appeared before the committee strenuously urged this amendment.

The American Institute of Engineers has a membership of more than 2,000 all over the United States and the world. A committee of that institute investigated this matter and appeared at the request of the Secretary of the Interior, and they stated their belief that it would assist in the actual development if this were made mandatory upon the Secretary of the Interior instead of leaving it discretionary; making it so that if a party possessed the necessary qualifications, if he was within the law, if he acted in good faith, if he had the necessary requisites to carry out the project and was first in time of application he should be given the first right. It has been the policy of the Government in all the public-land laws to permit the first man applying for a homestead to obtain it. It has been the same way with relation to desert claims. All the law with reference to mining claims was developed upon the custom that the first in time was the first in right if he possessed the necessary qualifications.

The entire body of the law of the Western States in regard to water has been based upon that same legal principle, and you will find none running to the contrary. I believe there was only one man who appeared before the committee who thought it would be better to leave it directory rather than mandatory, and that was the engineer of the Forest Service. This question was put up to Secretary Lane directly, and this is his answer upon the question. I want to call attention to it particularly. The chairman of the committee [Mr. FERRIS] asked him in regard to this, stating that the people who had appeared before the committee were very insistent upon its being mandatory instead of directory. The Secretary answered as follows:

No; I do not object, in general terms, to having things made definite; and, so far as I am personally concerned as Secretary of the Interior, I would like to see things made just as positive as possible, but I do not think things should be tied up in such shape that it is mandatory upon me to issue a permit to somebody whom I do not believe is acting in good faith.

That is on page 293. I believe the House ought to pass a law that will give the best man on earth an opportunity to administer that law and at the same time make it so that the meanest man will be bound by the law and can not use his discretion, his personal opinion and feelings, so that if two men apply for a water right, and the first is tall and red haired and the second one is black haired, the Secretary, though he likes the black-haired man, can not give him the preference. If the tall, red-haired man who first applies has all the qualifications and possesses the necessary means to carry out the project, I believe he ought to be permitted to have the opportunity. I believe the Secretary ought not to be given a discretion as to the individual who shall have this right.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. I ask unanimous consent that my time be extended three minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent that his time be extended three minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Will the gentleman yield for a question?

Mr. RAKER. Yes.

Mr. STAFFORD. As I understood the answer of Secretary Lane, it was directly in conflict with the position taken by the gentleman from California.

Mr. RAKER. Oh, no.

Mr. STAFFORD. In the last sentence read by the gentleman he states unequivocally that he wants to have reserved the power to determine as to the ability and good faith of the applicant to whom he issues the permit.

Mr. RAKER. If the gentleman will put his question, I will answer it.

Mr. STAFFORD. The language, as the gentleman read it, confirms my position.

Mr. RAKER. I read it, and I remember it very well when it was given, and I marked it on my memorandum which I made at the time. We discussed it in the committee afterwards, and I have thought about it many times since. And right in that connection, neither the Secretary of the Interior nor any other administrative officer ought to be in a position to say to a man who has the qualifications under the law, who has the ability and the intelligence, and who can get his friends to assist him in the project, "Why, you have not $100,000 in the bank, and therefore, in my judgment, you may not be competent to carry out this project." The money is not the only thing in the development of water power. It requires intelligence, it requires energy, it requires experience, it requires some manhood and determination, and it requires a man at the head in whom his fellow men have confidence, so that they can rely upon him and believe that if he starts upon a project he will carry it out in better shape than the man who may have a few more dollars than he has.

But I can not understand why, at this late day, we should change and overthrow the entire policy of disposing of the public domain, not to the first man who applies, not to the man who has gone out there and pioneered and investigated it, who may have spent his time and money in finding a place where he could build a dam, and then goes to the Secretary of the Interior and makes his application, but to the second or third man, who, finding this information on file, makes application and says he wants it, and the Secretary of the Interior, after looking it over, says, "Well, I believe this second man is better prepared. He is a finer-looking fellow, and I will give him the right to obtain the lease and permit him to do so." The present Secretary of the Interior would not do this, but that is not the question.

Mr. HUMPHREY of Washington. Will the gentleman yield?

Mr. RAKER. I yield to the gentleman from Washington.

Mr. HUMPHREY of Washington. I want to suggest to the gentleman, under the policy that has been pursued by some of the Secretaries of the Interior, what difference would it make what the law was? A Secretary of the Interior told me once when there was only one applicant for one of these propositions, and he said that he had complied with the law in all respects, he told him he would not grant the permit.

Mr. RAKER. What Secretary was that?

Mr. HUMPHREY of Washington. Secretary Fisher.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate on this section in 10 minutes.

Mr. MONDELL. Mr. Chairman——

Mr. FERRIS. How much time does the gentleman from Wyoming want?

Mr. MONDELL. Five minutes.

Mr. FERRIS. I ask unanimous consent to close debate on this proposition in 10 minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that debate on this proposition close in 10 minutes. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Chairman, I shall support the amendment offered by the gentleman from California [Mr. RAKER], but I do it realizing that unless the bill is vitally amended in other respects the amendment he offers will be of little avail. It is to no purpose that we shall direct the Secretary of the Interior to lease the public lands if we leave it, as the bill does, entirely in his discretion as to how and to whom he shall lease. He can readily fix conditions under which no one will care to lease, under which no one will dare to lease. As this bill gives him unlimited discretion as to terms, conditions, and charges, what do we gain by saying that he must lease? I shall, however, support the amendment, in the hope that this amendment, if it carries, will be followed by other amendments which will lay down definite rules and conditions under which, being met by an applicant, the Secretary must grant him the lease or the permit. Unless that shall follow, the gentleman's amendment will be of no avail.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. RAKER. If the Secretary of the Interior prepares uniform rules and regulations applying to all by which men can legitimately improve hydroelectric power, ought not that to be supported?

Mr. MONDELL. Oh, yes; if he does; but this bill does not contemplate that he shall adopt uniform rules, and he could not adopt uniform rules and carry out the spirit of the act, for the act is not based on the theory that the charges and conditions are to be uniform. It is based on the theory that they are to be fixed at the whim and pleasure, or perhaps I should say in the discretion, of the Secretary of the Interior. In due time, Mr. Chairman, I shall offer an amendment in the form of a substitute to this section placing it in a form under which the Congress does not say to an officer of the Government, "You may do as you please with all of the lands and property of the Nation," but under which we say to the people of the country, "You may acquire certain rights to develop the resources of the Nation provided you comply with certain proper and reasonable requirements."

Mr. FERRIS. Mr. Chairman, this amendment should not be agreed to. It is traveling fast in the wrong direction. To adopt it would be but a way well paved for the water-power interests to get what they want; to put the head of the Secretary in a vise as an automaton and allow them to say to him, "I come here and I have met your conditions, and I demand that you give me a lease." In other words, it would in too many cases force the Secretary to do a thing that no citizen of the United States would want him to do. Practically all of the developed water power in the United States now is in the hands of a little handful of men. Is there any doubt here that they will be better able to marshal their assets and meet the conditions with greater haste, precision, and celerity than an independent man or an independent company of citizens? Surely the House would not want to force the Secretary to grant a permit or lease to a monopoly, and thereby aid the monopoly in carrying out its oppressive design and purpose. This amendment was debated in committee at great length. Secretary Lane was consulted about it, and in the language of the gentleman from California, which he has just read. He was directly antagonistic to it, and in addition to what the gentleman from California read he said this:

> Well, of course, that would require probably stricter regulation. That is to say, we would issue a certain body of regulations with which the applicant would have to comply, and you would have to make very strict regulations if you did not have somewhere the power to reject an application.

The Secretary ought to have the right to reject an improper application, and he ought to have the right to approve a proper application, and if we make it mandatory we will take away both of those powers that ought to be reposed in him.

Further on in the hearings the Secretary said:

> Now, I do not object, in general terms, to having things made definite; and so far as I am personally concerned, as Secretary of the Interior, I would like to see things made just as positive as possible, but I do not think things should be tied up in such shape that it is mandatory upon me to issue a permit to somebody who I do not believe is acting in good faith.

Ex-Secretary Fisher was consulted on this proposition, and Mr. George Otis Smith, head of the Geological Survey, was consulted, and Mr. Gifford Pinchot was consulted on the proposition, and numerous engineers. The engineers generally who were interested in water power said that it ought to be made mandatory, and all of the others, acting in the interest of the Government, after fullest hearings, decided that the Secretary ought to have, at least, discretion enough to do the right thing.

I hope the amendment of the gentleman from California will not be agreed to. It will, if it is agreed to, work greater mischief than any Member of this Congress would desire to inflict.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. FERRIS. Mr. Chairman, there is an amendment to this section which relates to jurisdiction, and, while I have not it before me at this moment, it is an amendment that has been agreed to between the gentleman from Alabama [Mr. UNDERWOOD] and the gentleman from Georgia [Mr. ADAMSON], which provides that this bill shall in no sense step on the toes of the other bill that has been passed. The two bills, so far as subject matter is concerned, are not in conflict, and the committee does not want to have them to conflict. I ask unanimous consent that as soon as the gentleman from Georgia [Mr. ADAMSON] brings in his amendment he may have an opportunity to offer it at that time.

Mr. MANN. That does not require unanimous consent. The gentleman has the right to take the floor and offer it when he pleases.

Mr. FERRIS. I thought possibly we might pass this section before he arrived. Then it would require unanimous consent to return to it. That was my thought.

Mr. MANN. Oh, we will not get past this section to-night. There are a number of bona fide amendments which will be offered.

Mr. FERRIS. I did not want to even momentarily seem to preclude the gentleman from Georgia from offering his amendment.

Mr. HAY. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read, and I understand that the gentleman from Oklahoma does not object to this amendment.

Mr. FERRIS. I do not, although the proviso on the next page sufficiently precludes it from invading the jurisdiction of the War Department, which, of course, we do not desire to do.

The Clerk read as follows:

> Page 1, line 13, after the word "monuments," strike out all in said line down to and including the word "parks," in line 1, on page 2, and on page 2, in line 10, strike out the words in that line after the word "forests."

Mr. FERRIS. Oh, Mr. Chairman, I do not want the gentleman to take off "other reservations."

Mr. HAY. There are no other reservations.

Mr. FERRIS. Oh, yes; I hope the gentleman will just take out the military reservations.

Mr. HAY. I have no objection.

Mr. MANN. Will the gentleman yield for a moment?

Mr. HAY. Yes.

Mr. MANN. The gentleman, I am sure, does not want to include in his amendment national parks, so that they can be built on?

Mr. HAY. Those parks are military reservations——

Mr. FERRIS. They are specifically excepted.

Mr. MANN. The gentleman wants to strike out——

Mr. HAY. I did that because national parks are military reservations.

Mr. MANN. Not always.

Mr. HAY. I do not know of any park that is not a military reservation. Does the gentleman know of any national park that is not a military reservation and under the control of the Secretary of War?

Mr. MANN. Yes.

Mr. FERRIS. Lots of them.

Mr. MONDELL. This bill does not include national parks.

Mr. HAY. I understand that. The reason I did that was to make it uniform.

Mr. MANN. The gentleman meant to strike out the exclusion.

Mr. HAY. Yes. Now, in view of what has been said, I ask to withdraw that amendment and offer the following: Page 1, line 13, strike out the word "military."

The CHAIRMAN. The same word appears on page 2, line 10.

Mr. MANN. The same word appears in line 10, page 2.

The CHAIRMAN. Without objection, the Clerk will report the modified amendment. Is there objection. [After a pause.] The Chair hears none.

The Clerk read as follows:

Page 1, line 13, strike out the word "military." Page 2, line 10, strike out the word "military."

Mr. STAFFORD. Would not the general language "and other reservations" include military reservations?

Mr. HAY. Yes; I want to strike that out.

Mr. STAFFORD. I think there is no question of it.

Mr. FERRIS. If the gentleman will permit, under the Pickett bill of June 25, 1910, the President has authority, which he exercised frequently, to withdraw land for a series of purposes, if the Government might have need of them in the public interest, and in many instances they have withdrawn ten times as much land as was needed or was necessary, and the gentleman would not want to strike out——

Mr. MANN. If the gentleman from Virginia would yield, I can make a suggestion to him which, I think, will be perfectly clear.

Mr. HAY. I will yield.

Mr. MANN. Strike out the language and insert after the word "parks," in line 1, page 2, so it would read, "not including national parks or military reservations."

Mr. HAY. Well, that is all right.

Mr. MANN. That saves any question as to military reservations.

Mr. HAY. And then, in line 10——

Mr. MANN. It would not be necessary to change line 10 by striking out the word "military."

Mr. HAY. Except it is very broad here—"or other reservations."

Mr. MANN. That only applies to the permit officer at the head of the department; but, as the gentleman defines it above, military reservations, you do not have to get any permit.

Mr. HAY. Well, then, Mr. Chairman, I ask——

Mr. MANN. Adopt the first amendment and then offer this after that.

Mr. HAY. Mr. Chairman, I ask for a vote on the first amendment.

The question was taken, and the amendment was agreed to.

Mr. MANN. Now, after the word "parks," in line 1, page 2, insert the words "or military reservations."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 1, after the word "parks," insert the words "or military reservations."

The question was taken, and the amendment was agreed to.

Mr. HAY. Then, on page 2, line 10, strike out the word "military."

Mr. RAKER. That has already been done.

Mr. PAGE of North Carolina. Mr. Chairman, I offer an amendment to strike out, in line 13, page 1, and in line 15, page 2, the words "national monuments."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 13, strike out the words "national monuments," and page 2, line 15, strike out the words "national monuments."

Mr. PAGE of North Carolina. Mr. Chairman, these national monuments include considerable areas of lands in the West that have been designated as national monuments. They include many of the most interesting objects illustrating and showing the prehistoric civilizations that are in this country, and under the language of this bill, merely in the discretion of an officer who has charge of granting the permit, with no other limitation, these interesting objects could be obscured, obliterated, and destroyed.

Now, I would like the chairman of the committee, if he will, to say why this language, being eliminated from the bill, would in any wise detract from the possibilities of the development of the water power on the public lands of these Western States; and if it would not be possible, if this language is not stricken from the bill, to absolutely destroy a number of these national monuments that are of great national interest and of historic value? There may be some reason that I am not acquainted with why my amendment should not be adopted; but, in my judgment, it would be a calamity if this bill were passed including language that would make it possible for the destruction of these objects that are now of very great interest and in succeeding years will be of vastly more interest to the inhabitants of the country.

Mr. MONDELL. Will the gentleman yield?

Mr. PAGE of North Carolina. I yield to the gentleman from Wyoming.

Mr. MONDELL. The only national monument that I can think of where anyone would want to cut off water power would be in the Grand Canyon. It ought to be a national park.

Mr. JOHNSON of Washington. And there is one in my district of 600,000 acres, nearly all water power, known as the Olympic Monument.

Mr. BRYAN. I wish to confirm my colleague on that proposition.

Mr. FERRIS. I know the gentleman from North Carolina [Mr. PAGE] offered his amendment in the best of faith and for the best of good purposes. But it would be an ill-advised thing for the House to do to adopt that sort of an amendment—not being disrespectful in any sense. What arises is this: Out through the West hundreds of thousands of acres have been withdrawn which are designated as national monuments. Now, the average mind would be impressed with the fact that there are some curios or some national wonders that cover this entire area. But it is not true at all.

Mr. PAGE of North Carolina. But, if the gentleman will allow, this language does not except in any degree these national curios.

Mr. FERRIS. I think it does; and I will get to that if the gentleman will pardon me. For instance, in one national monument in the State of Colorado there are 14,000 acres, and there are three or four of similar import in that State. The gentleman from Washington has just given us the information that in his State there are national monuments containing several thousand acres of land. In California there are several thousand acres of land withdrawn for national monuments. Now, no one wants to destroy one particle of historical value or one particle of national wonder, or anything of that sort; but it would be folly to except all the so-called national monuments in there and let them lie in idleness because some one corner, embodying a few acres—say, 1 or 2—of a 100,000-acre reservation, should be desired for their scenic beauty.

Mr. PAGE of North Carolina. On what pretext were these large areas of land withdrawn as national monuments?

Mr. FERRIS. Part of them were used for national forests and some of them were withdrawn for protecting water-power sites. Now, the committee had in mind just what the gentleman from North Carolina had, that no one would want to tear up these national wonders and these national monuments, and so we put in this provision:

Provided, That such leases shall be given within or through any of said national forests, military or other reservations only upon a finding by the chief officer of the department under whose supervision such forest, national monument, or reservation falls that the lease will not injure, destroy, or be inconsistent with the purpose for which such forest, national monument, or reservation was created or acquired.

Now, before a step can be taken the chief officer of the department having the national monuments under his jurisdiction must make a finding that the purposes of the water power so leased will in no sense interfere with the national wonder or for the purpose for which it was withdrawn. So I think that verifies and takes care of the purposes the gentleman from North Carolina has. If we should allow those water-power sites to lie idle and be developed by no one, it would be a blight in that country that no one would want to inflict. And I think no one cares for that.

Mr. JOHNSON of Washington. I want to state that the Olympic Monument was established for the protection of the Roosevelt elk, which is probably of more importance than the water power in the district. If you went in there with water power and general development it would probably destroy some of the elk, but as they are already starving to death, anyway, it would probably make no difference. This discussion, however, shows up a Government subterfuge, anyway.

Mr. FERRIS. I have tried and can not agree with my friend from Washington, with all his earnestness against conservation, in his harsh feelings toward what has in the past been done. I call attention to the somber fact that what has been done has been by his own party, and I do not think it is the intention of the gentleman to assault his party on that question.

Mr. MANN. Mr. Chairman, I hope the gentleman from Oklahoma will take in good faith the proposition, so as to make it apply to those things which it was originally intended to apply. There is a good deal of water power on the public domain and in the national forests which are the proper subjects of legislation. Now, I do not believe that anyone will contend that if we had a park, for instance at Niagara Falls, it ought to be left to some departmental officer to determine whether the water at Niagara Falls should be diverted for power purposes or maintained for scenic purposes.

Mr. FERRIS. Of course the gentleman is aware that the national parks are specifically excepted from the bill.

Mr. MANN. If we had a reservation there, if it were a national monument, the gentleman does not know, and no one else knows, how many great scenic places there are in this country that may be properly reserved instead of being turned over to somebody to create horsepower. The gentleman endeavored to guard this provision in the bill by requiring that the head of the department should pass upon the matter before the law was executed. The head of the department that has control of the national monuments is the Secretary of the Interior. He would have no greater discretion under this provision than he would have without it.

Mr. FERRIS. Does the gentleman feel entirely justified in assuming that a department officer will destroy the thing committed to his charge by Congress?

Mr. MANN. Oh, I do not think that they desire to destroy it at all. I think, on the other hand, they would endeavor to be conservative. I have no doubt about it at all; and if the exigency existed where we needed to have that power immediately, I would be willing to confer that power on the Secretary. But I do not think we need to do it as an experiment. This is an experiment, as more or less of our legislation along these lines is at present. I do not know; it may be that the very thing you want to preserve in a national monument would be the thing that would be destroyed by somebody. We all know that Niagara Falls would have been destroyed ere this if it had not been for legislative or treaty action by the United States, and I think we ought to except national monuments. Then I hope we can make an exception or two after that is disposed of, so as to confine this legislation to what it was intended to be in the first place.

Mr. DONOVAN. Mr. Chairman, did we not vote to close debate in 10 minutes, and have not those 10 minutes expired?

The CHAIRMAN. This is another amendment.

Mr. PAGE of North Carolina rose.

The CHAIRMAN. The gentleman from North Carolina [Mr. PAGE] is recognized.

Mr. PAGE of North Carolina. Mr. Chairman, I find by reference to the report of the Department of the Interior for the year 1913 that the number of these monuments under the administration of the Interior Department is between 15 and 20, embracing not exceeding 75,000 or 80,000 acres of land as a total. The Department of the Interior is the department that is to administer the law now under consideration, when enacted, and the chief officer of that department will have the selection or the protection of these national monuments. As I say, I find that they are 15 or 20 in number, embracing not exceeding 75,000 or 80,000 acres of land, whereas under the administration of the Department of Agriculture there are a number of other national monuments—8 or 10 of them—that embrace something like a million acres of the public lands.

Now, I agree entirely with the statement that was made by the gentleman from Illinois [Mr. MANN] that it is not the part of wisdom on the part of this Congress to invest in the discretion of an administrative officer even the possibility of the destruction of these spots of great national interest, and I am even now more thoroughly convinced than I was when I offered my amendment that it ought to prevail. I do not think that this House, for the possibility of the development of a few thousand horsepower, should make it possible to destroy these places that are now of very great interest, and which in the future will be of vastly more interest to all the people of the United States, and not merely to a few people who might be benefited by the development of the water power on these reservations. Certainly there are enough of the public lands in the great West where the development can go forward if this amendment is adopted; and it being adopted, we do not jeopardize the destruction of these places that are of interest not only to this country but are of world-wide interest to all the ages to come; and I believe my amendment ought to prevail.

I shall ask unanimous consent, Mr. Chairman, to offer another amendment before the vote is taken on the amendment, having overlooked, when I offered it, the fact that these words also occurred on line 12 of page 2, the words "national monument."

Mr. JOHNSON of Washington. Mr. Chairman, I desire to oppose the amendment. I want to call the attention of the House to the fact that the Olympic National Monument consists of 608,000 acres. It covers a few mountain peaks which are beautiful in themselves, but are in the shadow of a great scenic mountain peak over 3 miles high. The mountains in the Olympic Peninsula have on the west side, to my knowledge, at least 8 or 10 rivers, great streams pouring down a mighty water power. For years a campaign has been carried on by all the clubs on the peninsula for the elimination of this monument, which was established under the same rules as those which provided for the national monument at Gettysburg. The Olympic National Monument spreads over a territory half as large as the State of Connecticut, and in all that region all development is checked. Now you propose to exempt all hope of utilizing the water power there. The amendment will make a bad bill worse.

Mr. RAKER. Mr. Chairman, the number of the national monuments has been specified, and——

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate at the end of seven minutes—five minutes to be used by the gentleman from California [Mr. RAKER] and two minutes by myself.

The CHAIRMAN. The gentleman from Oklahoma [Mr. FERRIS] asks unanimous consent that debate on this amendment close in seven minutes. Is there objection?

There was no objection.

Mr. RAKER. For instance, in the shadow of my home I find Cinder Cone, a national monument, 5,120 acres. That ought to be a national park, and will be eventually. But the possibilities of water-power development, the possibilities of dams and lakes, will add to the beauty instead of detracting from it; and where you can utilize the water at this magnificent high elevation it ought to be used, instead of permitting it to run down the canyon sides and go to waste. Now let me call your attention to the Grand Canyon——

Mr. PAGE of North Carolina. The gentleman makes the statement that this particular monument, to which he now refers, ought to be, and likely will be, made a national park. If it were at this time a national park, it is excepted by the terms of this bill.

Mr. RAKER. Not in the bill creating the national park, because I am in favor of having more lakes where a national park is created. Instead of having dry canyons, I am in favor of having water in them, and I am in favor of utilizing the water that is raised away up in the skies, and get some benefit from the fall. You get a beautiful lake, you get water in the canyon, and you do a thousandfold the good that is done now with the water running down without being used, when it does no one any good.

Take the Grand Canyon of the Colorado, which contains over 806,400 acres. Many Members of the House have been there. Think of that grand territory. Think of the possibilities of developing water power there. We do not want to keep all that to look at. It was reserved for a national monument until some proper legislation was had in relation to national parks.

There has been much effort to make it a national park—part of it—and undoubtedly it will be sometime. Think of the opportunity of building dams and the opportunity of holding that water, for the purpose of having more water in the Colorado River when it is necessary for power purposes along the river as well as for irrigation in the valleys below. Why, when you stand on the brink of the precipice you can not see the bottom of the canyon, and you can not see it at all unless you go down, and it will take you a good many hours to do it. No one sees it unless he has the strength and courage to go down those trails. Why not give this Government the opportunity of getting the benefit of this water that is going to waste there every year, that will add to the beauty of those many canyons? Why not use the water, instead of leaving it as it is at the present time?

In a number of other places the condition is the same. It is not intended to destroy one foot of the land, but it is intended to utilize it and get the benefit, and I do not believe there is any Member of the House who does not realize that the more beautiful lakes there are in these mountains the greater is the addition to the value of the scenery and the value to the country surrounding them. We ought to add to it instead of detracting from it. I do not believe there is anyone in the House more in favor of preserving these natural wonders, keeping them in their primitive state, permitting no destruction of them at all, than are the members of this committee and myself; but where conditions are such that they can be used and the beauty of the landscape maintained and added to, and some value derived from it for the surrounding country, I believe it is the duty of the House to legislate so as to use the property of the Government that we get the benefit and still retain all the natural beauty and scenery. No single natural object can be destroyed under the provisions of this bill. If it can be used and none of the natural wonders destroyed in any way, then, I say, use it.

Mr. FERRIS. Mr. Chairman, there are under the War Department 6 acres of land designated "National monuments," under the Agricultural Department about 1,500,000 acres, and under the Interior Department between 75,000 and 100,000 acres of land, all so-called national monuments. Now, I would not interfere with one of those monuments, and neither would the executive officers who have them in charge; and with the bill

carrying a specific proviso that the chief departmental officer must make a finding that the water-power development will not in any sense interfere with the purpose for which the original grant was made the House has done enough. It is not right to lock up a million and a half acres in the Agricultural Department, 100,000 acres in the Interior Department, and say that the surrounding country, which is probably now an area of wild cactus, sagebrush, and mesquite, worthless, barren land, shall go on worthless forever. On the contrary, let us utilize the water, first, for power; second, for irrigation; and third, for navigation and open the West. It seems far removed at times, but there are great possibilities in the West, and it is the duty of Congress to act.

Let us be practical about these things, let us convert the ragged, jagged canyons between the mountains into a beautiful lake, with beautiful water. Let us use it, and make corn, alfalfa, and wheat grow where now cactus and sagebrush alone can survive. I would not harm one beauty of nature, and I am just as keen about that as is the gentleman from North Carolina [Mr. PAGE]. The Secretary of the Interior has the same views, and anyone who may succeed him will be the same. The present Secretary of Agriculture is the same, and we may assume anyone who may succeed him will be the same. This, of course, is not a vital amendment, it would not really break the heart of anyone if it was agreed to, but it does tie up and leave undeveloped a large section that needs development. I personally very much hope the House will not tie up a lot of land and let the water be flowing idly to the sea doing no one any good, let it go to waste merely because on one corner of a million-acre reservation there may be a little beauty of nature that will not be harmed in the least. We ought to be practical. We ought to use every foot of land that is worth using. We ought to develop cheap power to pump water for irrigation that can be developed. The amendment, of course, is offered in the best of faith, but it can not be supported by the facts. The chief officer of the department would never let any part of it be touched that had scenic value. They have full power to stop it. In short, they must make a finding of fact that it will not, which fully protects.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent to modify my amendment by including the words in line 12 on page 2.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment so as to strike out the words in line 12 on page 2. Is there objection?

There was no objection.

Mr. GOOD. Does the gentleman move to strike out the words in line 15, page 2?

Mr. PAGE of North Carolina. Yes. My amendment now strikes out the words "national monuments" in line 13 on page 1, in line 12 on page 2, and in line 15 on page 2.

Mr. MONDELL. Mr. Chairman, I move to amend the amendment by including in the amendment offered by the gentleman from North Carolina the words "and other," in line 13, page 1; and the word "reservations," in line 1, page 2; the words "or reservations," in line 13, page 2; and the words "or reservations," in line 15, page 2.

The CHAIRMAN. The gentleman from Wyoming offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 13, strike out the words "and other"; page 2, line 1, strike out the word "reservations"; page 2, line 13, strike out the words "or reservations"; page 2, line 15, strike out the words "or reservations"

Mr. FERRIS. Mr. Chairman, I reserve the point of order upon that amendment. That reaches an entirely foreign matter, and is not an amendment to the amendment, and hence is not in order at this time. That reaches coal and oil withdrawals.

The CHAIRMAN. The Chair overrules the point of order.

Mr. MONDELL. Mr. Chairman, the gentleman from Oklahoma is in error when he says that the word "reservations" means reserved lands. If the gentleman from Oklahoma will be good enough to read his bill, he will find that on line 12, page 1, are the words "reserved or unreserved." All lands held under reservation are reserved lands; they are not, however, "reservations." I have moved to add to the words "national monuments," suggested by the gentleman from North Carolina, where they occur, the word "reservations," and for this reason: General leasing or right-of-way bills should deal with public lands, reserved or unreserved, and the forest reserves. When we come to deal with lands that are reserved for any definite and specific purpose, either as national monuments or other reservations—and I do not know just what that word would include in this connection, for it might include national cemeteries or Indian reservations, I am not certain—but in any event any lands definitely reserved for a specific purpose should not be included in a general right of way or general lease act. We can act upon any proposition relative to those areas by special legislation, either by a general bill applying to them specifically or by special legislation in each case.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. STAFFORD. As I read this bill I interpreted the words "and other reservations" following the word "military" to include Indian reservations. I would like to inquire whether it is the intendment to include Indian reservations?

Mr. MONDELL. I think there may be some question whether it does or does not include Indian reservations.

Mr. STAFFORD. Will the gentleman yield so that I may ask the chairman of the committee if it is the intention of the committee to include Indian reservations?

Mr. FERRIS. It is.

Mr. MONDELL. Mr. Chairman, I am not certain that it includes Indian reservations. Personally I am rather inclined to the view that it does not; but I do think there should be no doubt upon that subject. It should not include Indian reservations.

I do not believe we should include Indian reservations in a general act. I do not think that under the loose term we should include other reservations the exact character of which we have not now in mind. I can not at this moment think just what land might be included in the term, and my good friend from Oklahoma, now that I have suggested to him, knows that it does not include and can not include reserved lands. Those lands are taken care of under the words "reserved and unreserved."

Mr. MANN. Will the gentleman yield for a question?

Mr. MONDELL. Yes.

Mr. MANN. If these reservations are included under the term "lands reserved or unreserved," as I understood the gentleman to say——

Mr. MONDELL. I meant withdrawals were included in those terms. The gentleman from Oklahoma suggested that withdrawn lands under the withdrawal act would not be included in the bill if we struck out the word "reservations." My contention is that withdrawn lands under withdrawal acts are not reservations.

Mr. MANN. What land is there that you can have in a reservation that is not included in the term "lands reserved or unreserved"?

Mr. MONDELL. Oh, in the term "public lands reserved and unreserved," the term as used here does not include a reservation, such as a forest reserve or Indian reservation would not include national parks.

Mr. MANN. The gentleman himself has so frequently taken a different——

Mr. MONDELL. The term "reserved" is used to designate lands that are withdrawn temporarily under some form of withdrawal, such as the general withdrawal act.

Mr. MILLER. Will the gentleman yield for a question?

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Chair hears none. The question is upon the amendment offered by the gentleman from Wyoming.

Mr. MILLER. Mr. Chairman, I desire to be recognized in order that I may ask the gentleman from Wyoming a question, or the chairman in charge of the bill. I would like to ask the chairman in charge of the bill [Mr. FERRIS] a question if I may. I understood the gentleman from Wyoming just now to make an observation that there was a possibility of this language in the bill to include Indian reservations. I ask if the Committee on the Public Lands intended that it should?

Mr. FERRIS. It did intend to include that and all other reservations, and the Indian Office, as the gentleman understands, is a bureau under the Interior Department, and the thought was that the Interior Department having a water-power force and an organization, it was perfectly proper for them to utilize it for the benefit of the Indians, and I have a suggested amendment from the Indian Office allowing the proceeds that come from power developed on their land to go to them.

Mr. MILLER. Does the gentleman think the language employed in the first section is sufficient to cover Indian reservations?

Mr. FERRIS. We were of the opinion if the words "or other reservations" were left out it undoubtedly would.

Mr. MILLER. I certainly do not think so. I do not think by any implication it could be made to include Indian reservations.

Mr. FERRIS. I will say to the gentleman that was put squarely up to the Indian Office and that was their opinion.

Mr. MILLER. I think that is probably the poorest place to get knowledge and exact information of this character.

Mr. FERRIS. We might not be in agreement about that, but it was also put up to the Interior Department, and it was their opinion we ought to go ahead with the development for the Indians that have water power. It ought to include all water power, and the idea was to let the proceeds go to the Indians.

Mr. MILLER. I have not for a moment until just now thought that it was the intention of this bill to legislate respecting the Indians' property. In the first instance I do not think the committee has any jurisdiction over the land in an Indian reservation.

Mr. FERRIS. The gentleman realizes that the Department of the Interior has jurisdiction.

Mr. MILLER. But the Committee on the Public Lands has no jurisdiction over Indian property, and notwithstanding that they had——

Mr. MANN. Or over military reservations, but the Congress has.

Mr. MILLER. I understand Congress can pass this and it may become a law, but I think it is quite remarkable that this was intended to include lands in Indian reservations without the Committee on Indian Affairs having been advised or asked their opinion respecting it.

Mr. FERRIS. Let me ask the gentleman if he thinks when there is water power that is going to waste on an Indian reservation that could be used for innumerable purposes that it should or should not be developed?

Mr. MILLER. I can call the gentleman's attention to thousands of places now where it is going to waste, and it will never be used, and under a matter of this kind it will never be utilized.

And if I may humbly suggest—and I do not wish to set my legal attainments up in opposition to the eminent legal attainment in the Indian Office—in my poor opinion I do not think this covers Indian reservations unless you say it covers Indian reservations.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MILLER. Mr. Chairman, I ask for five minutes more.

Mr. MANN. Mr. Chairman, reserving the right to object, I would like to suggest to the gentleman that we have been here a long time this summer and are likely to be here for some time yet. We used to adjourn at 5 o'clock. During this session we have been running until 6 o'clock. It seems to me that we have time enough ahead of us so that we may resume our normal habits.

Mr. FERRIS. Would the gentleman object to letting us finish the amendment? The debate has already been had on it.

Mr. MANN. There are several gentlemen who want to be heard further on it, and then probably there would be tellers asked, or something of that sort.

Mr. FERRIS. Only in the interest of economy of time. It seems to me that all has been said here that can be said on this proposition.

Mr. JOHNSON of Washington. There are the bird reservations, including the Aleutian Islands, in Alaska, and I would like to know something about them.

Mr. DONOVAN. Mr. Chairman, I make the point of order that there is no quorum. The gentlemen here are all disorderly.

Mr. FERRIS. Mr. Chairman, in deference to what has been said, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. FITZGERALD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 16673) to provide for the development of water power and the use of public lands in relation thereto, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

The SPEAKER. The Chair lays before the House the following request for leave of absence, which the Clerk will report.

The Clerk read as follows:

Mr. FINLEY requests leave of absence for 10 days, on account of business.

The SPEAKER. Is there objection?

Mr. DONOVAN. I object, Mr. Speaker.

EXTENSION OF REMARKS.

Mr. FOWLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. PETERS of Massachusetts. Mr. Speaker, I desire to ask unanimous consent to address the House on the subject of foreign trade.

The SPEAKER. The gentleman from Massachusetts [Mr. PETERS] asks unanimous consent to address the House on the subject of foreign trade. Is there objection?

Mr. MANN. Reserving the right to object, Mr. Speaker, I would like to submit an observation. The President of the United States has on several occasions done himself credit, I think, and also credit to this House, by taking away from the House and appointing to other offices some of its most brilliant and able Members. But in no case has he taken away from the House a brighter ornament than when he selected our distinguished friend from Massachusetts [Mr. PETERS] to be Assistant Secretary of the Treasury. [Applause.]

I have no objection to the request.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts to address the House.

There was no objection.

FOREIGN TRADE.

Mr. PETERS of Massachusetts. Mr. Speaker, our country is to-day meeting one of the crises in the history of civilization. We are face to face with the unusual task of balancing a world that has broken from its pathway of progress and plunged backward through the Dark Ages of human bloodshed and decay.

Instead of the spindle and the plowshare, Europe wields the gun and saber. The bugle that blinds the conscience and the minds of men and drives them headlong into savagery has replaced the sweet song of the peasant harvesters and the hum of industry. Art, science, and progress stand aghast at the spectacle. Peace departs, and with it goes that great universal movement for human uplift and the reservoir of human happiness that man has been storing up for the future ages.

The test we are required to meet to-day involves all phases of our national life. It involves the stability of American principles of democracy, wherein all races may dwell in harmony. The racial prejudices and passions of our forefathers must be repressed in the broadening minds of our citizens. There is a necessity to-day for a closer clinging to the Stars and Stripes and the liberty and happiness they represent. There is no room for European partisanship in the mind of the patriotic American. To the degree that we maintain neutrality in word and deed, to that degree do we record, individually and collectively, the success of our great American principles.

The new situation in Europe bears heaviest, however, on our leaders in trade and in government. The immediate problem is our foreign trade, for on its successful readjustment to meet the new conditions depends the welfare of our workingmen and the maintenance of our healthy growth in wealth and world prominence. The ultimate problem involves our national honor and integrity of purpose, which must bear the burden of adjustment for the great nations involved in the European catastrophe.

READJUSTMENT OF TRADE.

Within a week after the upheaval of Europe, our American trade had already begun to readjust itself. After carrying the burden of depression in the world's trade, fighting for and winning footholds in every market, the American merchants took up the new problem with zeal. They were on the brink of gathering the rewards incident to the return of great prosperity in America, when the crash of the European markets broke upon them. Although unprepared, they were animated with that fighting spirit that has always distinguished American traders, and put their shoulders to the wheel.

We must be thankful that we have in America a goodly portion of true patriots. We must not pass unheeded without due compliment the rank and file of business men who, during the recent depression, kept to the uphill road and refused to believe the rantings of false prophets.

While the press filled its columns with the plaintive cries of the weaklings, while the crafty and ignorant shouted the doom of the Nation's trade, and while the Halls of Congress resounded with calamity conjured up as political capital, the real constructive work of the Nation was being done by the real patriots in the marts of industry, agriculture, and trade.

Their work was well done and bravely done, and the healthy results tell an altogether different story from the buncombe of the alarmists. Our domestic and foreign trade is economically sound, and is equipped to meet the sudden readjustment, whatever may be the incidental troubles and eventual result.

HOLDING OUR FOREIGN TRADE.

The industrial centers of the world, astounded at the growth of our exports of manufactured goods, have had fresh cause for astonishment during the world-wide depression in trade during the past year. Under the most severe conditions of competition, wherein our foreign competitors were throwing into the market their various wares at any price they would bring, we have held our foreign trade with less decrease than our competitors.

Although the recent depression was accompanied by the lowering of the purchasing power of foreign markets, we virtually held intact our export business. This proves the sound basis on which our foreign trade rests, and the power of our manufacturers to hold this trade in the face of tremendous odds.

HOME ADVANTAGES OF FOREIGN TRADE.

The advantages of foreign markets to the American industries are many, and they make necessary the prompt and effective readjustment now going on. Our manufacturers have already reached the point where their skill and industry turn out a volume of goods greater than can be absorbed by the local market.

In many industries activity depends on the seasons. Where the product can be used only in certain seasons of the year, there are periods when machinery and workmen are not put to their full usefulness. The foreign markets, depending on other conditions of climate than our own, afford a natural outlet that calls for the full use of machinery and labor at all times of the year. All-year-round employment is the ideal employment from the viewpoint of the manufacturer and the laborer.

A MANUFACTURING NATION.

A glance at our export figures shows that our finished goods are slowly but surely supplanting the foodstuffs and crude materials that were formerly the principal items of our exports. And another glance at our imports shows an increasing demand by America for foreign foodstuffs and crude materials and less demand for foreign manufactured products.

To-day America in the eyes of Europe is becoming essentially a manufacturing Nation. Our progress in invention of machinery, the great supply of labor, ever increasing through immigration, the enterprise and energy of our industrial leaders, have all contributed to the rapid growth of American industry.

Twenty years ago, in 1894, our exports of manufactures ready for consumption were valued at $130,000,000, or 15.63 per cent of our total exports. In 1903 our exports of this finished product had increased to $327,000,000, or 23.5 per cent of total exports. Last year, 1913, we exported finished manufactured goods to the value of $776,000,000, or 32 per cent of the total exports.

The trade of the world never stands still. The broad outlook on trade notes an ever-changing aspect among the nations, in which their soil, their climate, their natural resources, the ability, ingenuity, and capacity for labor of their citizens all contribute to the change.

Slowly and surely America is becoming a workshop of the world and our people a nation of skilled artisans. Our agriculture is still the bone and sinew of American wealth. It is not going backward, but is having its normal growth. The development of industry in America, however, is changing the world's view of our country.

FOOD AND RAW MATERIALS.

The remarkable gain in imports during the present year is represented by raw materials for our factories and food for our workmen. This fact is shown in the following table, comparing April, 1913, and April, 1914, and covering the principal items of food and raw materials:

A comparison of movements during April, 1913, and April, 1914, of 15 staple articles of raw material and foodstuffs in American imports and exports.

	Gain in imports, April, 1914, over April, 1913.		Loss in exports, April, 1914, from April, 1913.	
	Gain in value.	Per cent.	Loss in value.	Per cent.
RAW MATERIALS.				
Cotton	$1,018,000	55	$9,120,000	27
Cottonseed oil	44,000	44	980,000	43
Wool	6,000,000	210	.....	.....
Silk	2,056,000	33	.....	.....
Rubber	1,331,000	17	.....	.....
Hides	1,849,000	18	50,000	15
Fiber	1,570,000	37	.....	.....
Oil, crude	262,000	33	395,000	53
Total	14,130,000	.....	10,545,000	.....

A comparison of movements during April, 1913, and April, 1914, of 15 staple articles of raw material and foodstuffs, etc.—Continued.

	Gain in imports, April, 1914, over April, 1913.		Loss in exports, April, 1914, from April, 1913.	
	Gain in value.	Per cent.	Loss in value.	Per cent.
FOODSTUFFS.				
Meats	$3,500,000	300	$2,948,000	22
Cattle	1,071,000	130	40,000	17
Breadstuffs	896,000	62	7,776,000	45
Coffee	2,095,000	25	112,000	16
Sugar	2,343,000	22	69,000	30
Vegetables	523,000	71	(1)	.....
Fruits	875,000	22	(1)	.....
Total	11,303,000	.....	10,945,000	.....
Grand total	[2] 25,433,000	.....	[3] 21,490,000	.....
Gross increase	[4] 27,700,000	.....	[5] 37,545,000	.....

[1] No loss or gain.
[2] Gain in imports for 15 commodities.
[3] Loss in exports for 15 commodities.
[4] Gross increase of all imports.
[5] Gross loss of all exports.

In eight varieties of raw materials we imported last April $14,130,000 more than in April, 1913. To any mind that is truly appreciative of American hustle and determination, does this not show that while chronic howlers were depicting our downfall last April, our real patriots, our industrial leaders, imbued with real Americanism, were determined to keep our wheels turning?

When calamity was heard at its loudest, the boom was on. When the increase in imports was pointed out as a sure sign of decay, was it not in reality the most sure sign of health and vigor of our industries?

This table, which is drawn from the official report of the Department of Commerce, not only explains the radical increase in imports, which we have seen is represented by material for our mills and food for our people, but it shows further that 57 per cent of the decrease in exports for the same month is represented in our decision to retain for our own use $21,490,000 more raw material and foodstuffs. Of the total drop in exports, comparing April, 1914, with April, 1913, which amounted to $37,544,000, more than one-half is represented in these identical items of raw materials and foodstuffs.

NEW TRADE PROBLEMS.

The manufacturers, recovering so brilliantly from the slump in the world's trade, are now facing readjustment. Not only must they seek new markets, but they must seek new sources of raw materials. A big demand for American goods is foreseen, and we are combing the peaceful sections of the earth for the material to feed our looms and workshops.

In the competition of our captains of industry for the benefits of the new order of things, it is well that this Congress has spelled into the law regulations that will protect equality of opportunity.

The rank and file of American manufacturers have shown that they deserve the aid that Congress has extended to them. The great constructive work of this Congress shall have its full effect in the reconstruction of trade that is now begun.

Just before the disruption of European peace on August 1, America had felt the quickening of the pulse of industry and had begun the garnering of nature's bounty. Our trade was returning to its natural stride. The depression that began in Europe and forced its way inevitably into our industry was being thrown off. We had been the last great Nation to be affected, we were affected to a lesser degree than our competitors, and recovered first from the depression. We demonstrated to the world the wonderful health and vitality of American agriculture and American industry.

AMERICA THE BULWARK.

Our Government is destined to be the bulwark of civilization in the catastrophe that is darkening Europe. The task is an enormous one, and it will test to the full whether American principles and American civilization are fundamentally sound and whether our Government is equipped to shoulder the responsibilities of an entire world.

Mr. Speaker, there is aroused within me on this occasion, when I am appearing in this historic body probably for the last time, the full, fond hope and belief that America is prepared. I believe we have never been better prepared to meet this world emergency.

First and foremost I believe that genuine patriotism, which is the love of fellow men and the love of peace, has supplanted in the hearts of our people that false patriotism of the Dark Ages which made men brutes at the call of country. I believe the American has risen to the plane of real civilization.

I believe that our leaders in the Senate and the House of Representatives, as well as our Chief Executive, represent our American type of patriot, and that the great peaceful feeling in our country, in the face of the catastrophe abroad, rests on the firm belief in our leaders and our institutions.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. BAILEY] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. FERRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until Friday, August 14, 1914, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LEWIS of Maryland, from the Committee on Labor, to which was referred the bill (H. R. 12292) to prevent interstate commerce in the products of child labor, and for other purposes, reported the same with amendment, accompanied by a report (No. 1085), which said bill and report were referred to the House Calendar.

Mr. KEATING, from the Committee on Pensions, to which was referred the bill (H. R. 15402) to pension the survivors of certain Indian wars from 1865 to January, 1891, inclusive, and for other purposes, reported the same without amendment, accompanied by a report (No. 1084), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GREGG, from the Committee on War Claims, to which was referred the resolution (H. Res. 591) referring certain claims to the Court of Claims for finding of facts and conclusions of law under section 151 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary, reported the same with amendment, accompanied by a report (No. 1086), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FLOYD of Arkansas: A bill (H. R. 18355) authorizing the Secretary of War, in his discretion, to deliver to the town of Prairie Grove, in the State of Arkansas, four condemned bronze or brass cannon, with their carriages and outfit of cannon balls, etc., for park on Prairie Grove Battle Field, under the auspices of the Daughters of the Confederacy; to the Committee on Military Affairs.

By Mr. HUMPHREY of Washington: A bill (H. R. 18356) to promote the American merchant marine in foreign trade and the national defense, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of Maryland: A bill (H. R. 18357) authorizing the Treasury Department to make certain advances for the relief of the tobacco growers of Maryland; to the Committee on Appropriations.

By Mr. O'SHAUNESSY: A bill (H. R. 18358) to revive the American ocean merchant marine; to the Committee on the Merchant Marine and Fisheries.

By Mr. LEVER: A bill (H. R. 18359) to authorize the Secretary of Agriculture to license cotton warehouses, and for other purposes; to the Committee on Agriculture.

By Mr. O'SHAUNESSY: Joint resolution (H. J. Res. 321) to make The Star-Spangled Banner the national anthem of the United States of America; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER: A bill (H. R. 18360) granting an increase of pension to Daniel Schunall; to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 18361) granting an increase of pension to William M. Alexander; to the Committee on Invalid Pensions.

By Mr. GRIEST: A bill (H. R. 18362) granting a pension to Katherine Baxter; to the Committee on Invalid Pensions.

By Mr. GRIFFIN: A bill (H. R. 18363) granting a pension to Walter Thorn; to the Committee on Invalid Pensions.

By Mr. McANDREWS: A bill (H. R. 18364) granting an increase of pension to Frances M. Eaton; to the Committee on Invalid Pensions.

By Mr. McKELLAR: A bill (H. R. 18365) for the relief of the legal representatives of Reuben S. Jones and William N. Brown, deceased; to the Committee on War Claims.

By Mr. TAGGART: A bill (H. R. 18366) granting a pension to Elizabeth Campbell; to the Committee on Invalid Pensions.

By Mr. TAVENNER: A bill (H. R. 18367)) granting a pension to Rose Eastman; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BELL of California: Petitions of 132 citizens of Los Angeles; I. L. Creesey and 13 other citizens, of Cropido; Mrs. Edna Rees and 47 others, of Glendale, all in the State of California, favoring national prohibition; to the Committee on Rules.

Also, memorial of the City Council of Los Angeles, Cal., favoring House bill 5139, providing for the retirement of aged employees of the Government; to the Committee on Reform in the Civil Service.

By Mr. BURKE of South Dakota: Memorial of the Sioux Valley Medical Association, protesting against the Nelson amendment to the Harrison antinarcotic bill; to the Committee on Ways and Means.

By Mr. CARY: Petition of Woman's Home Missionary Society of Centerville, Ind., protesting against the passage of Senate bill 5697 and House bill 16904; to the Committee on the District of Columbia.

By Mr. GOOD (by request): Petition of citizens of the State of Iowa, favoring due credit be given Dr. F. A. Cook for his polar efforts; to the Committee on Naval Affairs.

Also, petition of citizens of Marion, Iowa, favoring national prohibition; to the Committee on Rules.

By Mr. KENNEDY of Rhode Island: Memorial of mass meeting of women of Newport, R. I., favoring passage of Bristow-Mondell resolution; to the Committee on Rules.

Also, petitions of Irving Winsor, Raymond E. Beebe, H. Tobey Smith, Thomas W. Capon, Russell, Franklin, and Henry F. Perry, of Greenville; Rev. James E. Barbour, of Pawtucket; Bertley Willey, of Johnston; Anna Williams, Margaret McL. Colman, Etta P. Field, Julia A. Manchester, and L. E. Tilley, of Providence, all in the State of Rhode Island, favoring national prohibition; to the Committee on Rules.

By Mr. LLOYD: Petition of citizens of the State of Missouri, favoring House joint resolution 201, to abolish polygamy in the United States; to the Committee on the Judiciary.

By Mr. PAIGE of Massachusetts: Petition of citizens of South Royalston and Fitchburg, Mass., favoring national prohibition; to the Committee on Rules.

By Mr. REILLY of Connecticut: Petition of Elm Lodge, No. 420, International Association of Machinists, opposing any action of this Government that would involve the United States in war; to the Committee on Military Affairs.

SENATE.

FRIDAY, *August 14, 1914.*

(Legislative day of Tuesday, August 11, 1914.)

The Senate reassembled at 11 o'clock a. m. on the expiration of the recess.

REGISTRY OF FOREIGN-BUILT VESSELS.

Mr. O'GORMAN. Mr. President, with the consent of the Senator from Texas, who is in charge of the antitrust legislation, I ask unanimous consent to have the conference report on the emergency shipping bill laid before the Senate for consideration.

Mr. CULBERSON. In view of the urgency of the legislation as affecting the shipping industry I ask unanimous consent that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. I have no objection to that course, but as soon as the request is granted I desire to suggest the absence of a quorum, because I know there are a few Senators not here who desire to discuss the report.